



Board Meeting Tentative Agenda
Presentation Room 2015 Grand Ave., Des Moines, Iowa
March 7, 2012 11:00 a.m.

I. Review of Minutes

- February 1, 2012, IFA Board Meeting

II. Administration

- ♦ Summary & Overview
- **Accounting and Finance**
 - ♦ Review of Financial Statement
 - ♦ Resolution GEN 12-03, Appointing Auditors
- **Legal**
 - ♦ Adopted and Filed – Amendments to Chapter 39, HOME Partnership Program
 - ♦ Notice of Intended Action – Amendments to Chapter 41, Shelter Assistance Fund
 - ♦ Notice of Intended Action – Amendments to Chapter 42, Emergency Shelter Grant
- **Legislative**
- **Communications**

III. Community Development Programs

- **Economic Development Loan Program**
 - ♦ Resolution ED 12-03A, Genesco Communications, Inc. Project
 - ♦ Resolution ED 12-04A, Green Industrial Properties, LLC Project
 - ♦ Resolution ED 12-05A, Marshalltown Senior Residence Project
- **Water Quality Programs**
 - ♦ Resolution WQ 12-02, SRF Planning & Design Loans
 - ♦ Resolution WQ 12-03, SRF Construction Loans
 - ♦ Resolution WQ 12-04, Non-Point Source Loan for INHF – Pollard Tract
 - ♦ Resolution WQ 12-05, Non-Point Source Loan for INHF – Watermill Tract
 - ♦ Resolution WQ 12-06, Non-Point Source Loan for INHF – Hardecopf Tract

IV. HousingIowa

- **Affordable Rental Production**
 - ♦ Resolution HI 12-06, State Housing Trust Fund Project-Based Program Awards
 - ♦ Resolution HI 12-07, HOME Subrecipient Supplemental Awards
 - ♦ Resolution HI 12-08, HOME Developer Supplemental Awards

V. Title Guaranty Division

- Resolution TG 12-01, Petition for Waiver of Iowa Administrative Code–265 IAC 9.1(16), Definition of “Abstract of Title” from Abstract Guaranty Company and Iowa Abstract Services, LLC
- Transfer of Funds from TGD to IFA’s Housing Programs

VI. Miscellaneous Items

- Receive Comments from General Public – 5 min./person; 30 min. total time

VII. Adjournment

Agenda items may be taken out of order at the discretion of the Board Chair



BOARD MEETING MINUTES
Iowa Finance Authority Presentation Room
2015 Grand Avenue
Des Moines, Iowa
February 1, 2012

Board Members Present

Darlys Baum, Chair	Jeffrey Heil
David Erickson, Vice Chair	Michel Nelson
Heather Armstrong	Eric Peterson
David Greenspon	

Board Members Absent

Carmela Brown	Ruth Randleman
---------------	----------------

Staff Members Present

David Jamison, Executive Director/Board Secretary	Wes Peterson, Assistant to the Director
Lori Beary, Community Development Director	Terri Rosonke, HousingIowa Development Specialist
Linda Berg, Business Development Director	Mark Thompson, General Counsel
Eric Chatman, Deputy Director/Chief Financial Officer	Rob Tietz, Finance and Funding Manager
Emily Collins, Assistant Communications Director	Dave Vaske, LIHTC Manager
Steve Harvey, Chief Operating Officer	Carole Vipond, Director of Section 8
Ashley Jared, Communications Director	Nancy Wallis, Administrative Assistant
Carolann Jensen, Chief Administration Officer	Joanna Wilson, Associate General Counsel
Katie Kulisky, Administrative Assistant	Karen Winchester, Underwriting Analyst

Others Present

Jim Conlin – Conlin Properties	David Grossklaus – Dorsey & Whitney, LLP
Steve Eggleston – HUD, Des Moines	Mary Neiderbach – City of Des Moines
Jake Friedrichsen – State Treasurer’s Office	Jackie Nickolaus – Sherman Associates
Dan Garrett – Midwest Housing Equity Group	Stuart Ruddy – Faegre Baker Daniels

Call to Order

Chair Baum called to order the February 1, 2012, regular monthly meeting of the Iowa Finance Authority (IFA) Board of Directors at 11:02 a.m. Roll call was taken and a quorum was established with the following Board members present: Armstrong, Baum, Erickson, Greenspon, Heil, Nelson and Peterson.

Review of Minutes

January 11, 2012, Board Meeting

Chair Baum introduced the minutes of the January 11, 2012, regular monthly meeting of the Iowa Finance Authority Board of Directors.

MOTION: On a motion by Mr. Greenspon and a second by Mr. Nelson, the Board unanimously approved the minutes of the January 11, 2012, regular monthly meeting of the IFA Board.

Administration

SUMMARY & OVERVIEW

Director Jamison reported that he and Ms. Jensen attended a housing conference in Omaha sponsored by the Nebraska Investment Finance Authority in January. He also announced that he has started the Certified Public Managers course sponsored by Drake University and Iowa Department of Administrative Services. He said other staff members in the current class are Wes Peterson and Amber Lewis.

ACCOUNTING AND FINANCE

Review of Financial Statement

Mr. Harvey presented the December 2011 financial results. He reported that as a housing agency, year-to-date net operating income of \$9,849,814 is favorable to budget by \$5,946,224.

Mr. Harvey noted that the State Revolving Fund year-to-date net operating income of \$28,741,614 is \$13,840,830 favorable to budget.

MOTION: On a motion by Mr. Erickson and a second by Mr. Heil, the Board unanimously accepted the December 2011 financial statement.

Resolution FIN 12-02, Authorizing Proceedings Re: Amendments to 1991 Single-Family Mortgage Bond Resolution

Mr. Chatman introduced a resolution making amendments to the 1991 Single-Family Mortgage Bond Resolution, allowing IFA to repurchase mortgages into existing bond series in order to better manage the allowable spread on the existing bond series. He reported that the proposed amendments also clarify IFA's ability to establish "participation accounts" to enable IFA to create zero pools, allowing the finance team to manage the allowable tax spread on future bond transactions. Mr. Chatman explained that creating zero pools allows the Authority to set a lower mortgage rate on its single family program.

MOTION: Mr. Erickson made a motion to adopt the supplemental resolution adopting and approving amendments to the Single-Family Mortgage Bond Resolution of the Iowa Finance Authority. On a second by Ms. Armstrong, the Board unanimously adopted Resolution FIN 12-02.

Resolution FIN 12-03, 2012 New Issue Bond Program (NIBP) Proceedings to Amend 2009 Series 3 Resolution

Mr. Chatman introduced the supplemental resolution approving amendments to the Mortgage Revenue Bond Series 3 Series Resolution. He explained that the purpose of the proposed amendments is to make the existing bond series consistent with the changes made by the US Treasury Department for the NIBP. Mr. Chatman summarized some of the more significant changes that were made in the resolution, and noted that these amendments would allow IFA to participate in the NIBP.

MOTION: Mr. Greenspon made a motion to approve the supplemental resolution adopting and approving amendments to a Series Resolution adopted pursuant to the Single-Family Mortgage Revenue Bond Resolution of the Iowa Finance Authority. On a second by Mr. Nelson, the Board unanimously approved Resolution FIN 12-03.

LEGAL

Resolution GEN 12-01, Internal Controls

Mr. Thompson introduced the resolution regarding IFA's internal controls. Mr. Harvey then explained that the Board has asked management to document the internal control framework with more transparency and clarity. He said that although IFA already had an extensive framework of internal controls, the proposed resolution adds some specific items that have been requested by the Board.

MOTION: On a motion by Mr. Nelson and a second by Ms. Armstrong, the Board unanimously approved Resolution GEN 12-01.

Resolution GEN 12-02, Delegation of Authority

Mr. Harvey explained that the proposed resolution provides a list of items that the Board retains authority to approve, and allows the Board to delegate all other authority required to execute the day-to-day operations of IFA to the Executive Director, who is then allowed to sub-delegate up to 50 percent of the spending authority, not retained by the Board, to individual employees in writing. He also reported that the Board delegates certain responsibilities, specified in the resolution, to the Title Guaranty Division (TGD) Director, Deputy Director and staff attorneys.

MOTION: On a motion by Ms. Armstrong and a second by Mr. Erickson, the Board unanimously approved Resolution GEN 12-02.

Participation in Settlement with Bank of America

Mr. Thompson reported that in the past several years, there has been significant misconduct in the derivatives markets. He said a group of Attorneys General from various states have been working toward settlements with various banks, one of which, Bank of America, has reached an out-of-court settlement. Mr. Thompson explained that IFA's share of the settlement is approximately \$5,600, but in order to participate, the IFA Board must approve the Election to Participate and the Release, forfeiting the opportunity to sue Bank of America for further claims related to this issue.

A lengthy discussion ensued about what IFA's damages were and whether the agency would recover more by not accepting this settlement. Mr. Greenspon stated that he was not in favor of accepting the relatively small sum offered because he thought IFA might receive more compensation by following up independently.

MOTION: On a motion by Mr. Heil and a second by Ms. Armstrong, a vote was taken with the following results: **YES:** Armstrong, Erickson, Heil, Nelson, Peterson and Baum; **NO:** Greenspon; **ABSTAIN:** None. The Board approved participation in the settlement with Bank of America on a majority vote.

Resolution HI 12-05, Request for Waiver of Rules from Sherman Associates

Chair Baum reported that someone in the audience had requested the opportunity to speak to the Board about the requested waiver. Mr. Stuart Ruddy approached the Board on behalf of Sherman Associates, the petitioner. He thanked Mr. Thompson for acting so quickly in order for the waiver to be considered before applications for the 2012 Low-Income Housing Tax Credit (LIHTC) funding round were due to be submitted.

Mr. Ruddy briefly summarized Sherman Associates' history in developing projects and stated that the Randolph Hotel project is only seeking a waiver of the unit cost cap, not seeking additional credits. He noted that Sherman Associates would suffer no undue harm, but that the undue harm would be to the City of Des Moines and to the citizens needing housing in the city.

Ms. Neiderbach from the City of Des Moines also spoke to the Board to explain that Mayor Frank Cownie had signed a resolution on behalf of the Des Moines City Council in support of the rehabilitation of the Randolph Hotel.

Mr. Thompson then noted that the rules specify that in order for a waiver to be granted, it must be proved that the petitioner would suffer undue hardship if the waiver was not granted.

Mr. Thompson pointed out some typos in the documents, specifically that the date on the resolution should be February 1, 2012, and that the second paragraph on the suggested order should refer to the 2012 QAP rather than the 2008 QAP. A lengthy discussion followed regarding the unit cost caps put in place in the 2012 QAP and the reasons those cost caps were agreed upon.

MOTION: Mr. Nelson made a motion to approve the resolution and the Order, as corrected, attached as Exhibit A to Resolution HI 12-05, denying the requested waiver and directing the Executive Director of the Authority to execute and deliver said Order for the Authority. On a second by Ms. Armstrong, the Board unanimously approved Resolution HI 12-05.

Update on Challenges to the 2012 LIHTC Qualified Allocation Plan

Mr. Thompson reported that there was a challenge filed by five projects that were denied tax credits in the 2011 funding round. He said the group of projects has filed a petition for judicial review requesting a stay of the 2012 tax credit round. Mr. Thompson said IFA would notify all tax credit interested parties if a stay is granted prior to the application deadline of February 3, 2012.

COMMUNICATIONS

Ms. Jared introduced Emily Collins, IFA's newly hired Assistant Director of Communications. Ms. Jared then distributed the FY 2011 annual report, which is a general brochure telling about IFA's programs, with a center insert stating IFA's FY 2011 accomplishments. She noted that the report also includes a CD which contains IFA's audited financial statement and the performance report required by the Legislature.

Ms. Jared reported that the Iowa Mortgage Help program is working with the Attorney General's office to develop a plan for communicating the upcoming mortgage settlement deal with the five largest mortgage servicers due to the mishandling of foreclosures since 2008. She explained that Iowans will be encouraged to call the Iowa Mortgage Help Hotline to see if they might benefit from the settlement, or if other assistance is available through Iowa Mortgage Help. Ms. Jared said the settlement is expected to be announced within a few weeks.

Ms. Jared also provided updates about upcoming Single-Family events in which IFA will participate, and about progress toward the updated IFA web site that should be completed this spring.

Ms. Jared then announced that the State Revolving Fund (SRF) Program has assisted more than 500 communities and municipalities throughout the state. She said SRF advertisements that run in the Iowa League of Cities publications have been updated to reflect that milestone and to emphasize the significant number of Iowa communities that have benefited from the SRF program.

Community Development Programs

ECONOMIC DEVELOPMENT LOAN PROGRAM

Resolution ED 12-01A, All-Star Ballpark Heaven and Field of Dreams Preservation Project

Ms. Beary introduced an application and inducement resolution for \$22,000,000 of Iowa Finance Authority Midwestern Disaster Area Revenue Bonds for the All-Star Ballpark Heaven and Field of Dreams Preservation Project in Dyersville. She said the bonds will be used for the construction of 24 ball fields, an indoor training facility, a community center with corporate training facilities, a performing arts center and an indoor swimming pool. Ms. Beary noted that the project will require an allocation of Midwestern Disaster Area Bonds.

There was significant discussion and some concern regarding the lack of information included in the application. Ms. Beary explained that the inducement resolution basically gives permission for the borrower to proceed with financing possibilities, and that nothing is committed by IFA until the borrower comes with an authorizing resolution.

MOTION: Mr. Nelson made a motion to approve an application for \$22,000,000 of Iowa Finance Authority Midwestern Disaster Area Revenue Bonds (All-Star Ballpark Heaven and Field of Dreams Preservation Project), Series 2012, for Go the Distance Baseball, LLC (the “Borrower”), and evidencing the intent to proceed with the issuance of \$22,000,000 of Midwestern Disaster Area Revenue Bonds. On a second by Ms. Armstrong, a vote was taken with the following results: **YES:** Armstrong, Erickson, Heil, Nelson, Peterson and Baum; **NO:** Greenspon; **ABSTAIN:** None. The Board approved Resolution ED 12-01A on a majority vote.

Public Hearing for ED Loan 11-30, Enseva Hiawatha, LLC Project

Ms. Beary asked the Board to hold a public hearing regarding the issuance of an amount not to exceed \$8,500,000 of Iowa Finance Authority Midwestern Disaster Area Revenue Bonds for the Enseva Hiawatha, LLC Project. She stated that the bonds will be used for the acquisition and construction of a 17,000-square-foot multi-tenant office space and data center, which will house a portion of Iowa Health System’s data, with the capacity to build three more modules at 12,000 square feet each.

Chair Baum opened the public hearing at 12:05 p.m. regarding the issuance of an amount not to exceed \$8,500,000 of Iowa Finance Authority Midwestern Disaster Area Revenue Bonds for the Enseva Hiawatha, LLC Project. Ms. Beary said IFA had received no verbal or written comments regarding the project. There being no comments from the audience, Chair Baum closed the public hearing at 12:06 p.m.

Resolution ED 11-30B, Enseva Hiawatha, LLC Project

Ms. Beary introduced the resolution authorizing the issuance of an amount not to exceed \$8,500,000 of Iowa Finance Authority Midwestern Disaster Area Revenue Bonds for the Enseva Hiawatha, LLC Project. She reported that the Board approved the inducement resolution on January 11, 2012, and that the project will require an allocation of Midwestern Disaster Area Bonds.

Mr. Heil submitted a letter disclosing a conflict of interest because he is the finance advisor to Enseva. He said he would abstain from discussing and voting on the resolution.

MOTION: Mr. Erickson made a motion to adopt the resolution authorizing the issuance of an amount not to exceed \$8,500,000 of Iowa Finance Authority Midwestern Disaster Area Revenue Bonds (Enseva-Hiawatha Project), for the purpose of making a loan to assist the borrower in the acquisition, construction and equipping of a project; authorizing the execution and delivery of certain financing documents pertaining to the project; authorizing an assignment of certain financing

documents for further securing the payment of the bonds; authorizing the sale of the bonds; and related matters. On a second by Ms. Armstrong, a vote was taken with the following results: YES: Armstrong, Erickson, Greenspon, Nelson, Peterson and Baum; NO: None; ABSTAIN: Heil [see attached letter]. The Board approved Resolution ED 11-30B on a majority vote.

Public Hearing for ED Loan 11-31, CJ Bio America, Inc. Project

Ms. Beary asked the Board to hold a public hearing regarding the issuance of an amount not to exceed \$220,000,000 of Iowa Finance Authority Midwestern Disaster Area Revenue Bonds for the CJ Bio America, Inc. Project in Fort Dodge. She reported that the bonds will be used to acquire, construct and equip a facility to produce amino acids by fermentation.

Chair Baum opened the public hearing at 12:07 p.m. regarding the issuance of an amount not to exceed \$220,000,000 of Iowa Finance Authority Midwestern Disaster Area Revenue Bonds for the CJ Bio America, Inc. Project. Ms. Beary said IFA had received no verbal or written comments regarding the project. There being no comments from the audience, Chair Baum closed the public hearing at 12:08 p.m.

Resolution ED 11-31B, CJ Bio America, Inc. Project

Ms. Beary introduced the resolution authorizing the issuance of an amount not to exceed \$220,000,000 of Iowa Finance Authority Midwestern Disaster Area Revenue Bonds for the CJ Bio America, Inc. Project in Fort Dodge. She stated that the Board approved the inducement resolution on January 11, 2012, and that the project will require an allocation of Midwestern Disaster Area Bonds.

MOTION: Mr. Heil made a motion to adopt the resolution authorizing the issuance of an amount not to exceed \$220,000,000 of Iowa Finance Authority Midwestern Disaster Area Revenue Bonds (CJ Bio America Inc. Project), Series 2012, for the purpose of making a loan to assist the borrower in the acquisition, construction and equipping of a project; authorizing the execution and delivery of certain financing documents pertaining to the project; authorizing an assignment of certain financing documents for further securing the payment of the bonds; authorizing the sale of the bonds; authorizing the appointment of a trustee; and related matters. On a second by Mr. Greenspon, the Board voted unanimously to adopt Resolution ED 11-31B.

Resolutions ED 716E, 717E, 718E, 719E, & 720E, Perry Housing Project

Ms. Beary introduced the amending resolutions by explaining that the five resolutions relate to multifamily housing projects in Pella, Grinnell, Monroe, Kellogg and Newton, all owned by Phil Perry. She said the resolutions, for bonds originally issued in 1998, allow for a second amendment to the loan agreements to change the interest rates paid. Ms. Beary reported that until October 31, 2014, the interest rates will be 2.7–3.24 percent, and from November 1, 2014 until the bonds mature, the interest rate will be 5.1 percent.

MOTION: Mr. Greenspon made a motion to adopt all five resolutions amending previous resolutions relating to Pella Housing Project, Grinnell Housing Project, Monroe Housing Project, Kellogg Housing Project and Newton Housing Project. On a second by Mr. Peterson, the Board voted unanimously to adopt Resolutions ED 716E, 717E, 718E, 719E, & 720E.

WATER QUALITY PROGRAMS

Resolution WQ 12-01, Extension of Loan to Iowa Natural Heritage Foundation for the Upper Iowa River – Heritage Valley and Chichaqua Bottoms Property

Ms. Beary introduced the resolution that would extend a participation loan with a bank to Iowa Natural Heritage Foundation (INHF) for land purchase and restoration. She noted that the participation loans normally have terms of 3-5 years, but she said that although financing is planned

on these two loans, the timing has been an issue. Because of that, the INHF has requested an extension of an additional five years for two loans. Ms. Beary provided details about each project, as well as about INHF projects in general.

MOTION: Ms. Armstrong made a motion to adopt the resolution approving an extension of the loan participation with Kerndt Brothers Savings Bank and Wells Fargo Bank, NA for an additional five years, and authorizing IFA to finalize the transaction and to negotiate and complete the necessary documents. On a second by Mr. Heil, the Board voted unanimously to adopt Resolution WQ 12-01.

Ms. Beary then provided updates on SRF loans and on the \$220 million SRF bond issue that IFA closed in January.

HousingIowa

AFFORDABLE RENTAL PRODUCTION

Resolution HI 12-04, HOME Program Community Housing Development Organization (CHDO) Certifications and Recertifications

Ms. Rosonke introduced the resolution relating to the certification and annual recertification of CHDOs for participation in the HOME Program. She explained that as the administrator of the HOME Program on behalf of the state of Iowa, IFA certifies CHDOs confirming that the nonprofit organization meets certain HOME requirements and is eligible for HOME funding under the CHDO set-aside. Ms. Rosonke also stated that after initial certification is approved, a CHDO must annually recertify its CHDO status by providing updated information on the organization and its affordable housing projects.

Ms. Rosonke stated that staff recommends Board approval of CHDO certification for Home Opportunities Made Easy, Inc. based in Des Moines, and recertification for Community Housing Initiatives, Inc. based in Spencer, and Vera French Housing Corporation based in Davenport.

MOTION: Mr. Erickson made a motion to approve the resolution authorizing the certification for the CHDO applicants listed on Exhibit A of the resolution, as well as the annual recertification for the applicants listed on Exhibit B of the resolution, pursuant to the HOME rules. On a second by Mr. Greenspon, the Board unanimously approved Resolution HI 12-04.

Title Guaranty Division (TGD)

Ms. Berg briefly reported on TGD's commercial program, business related to refinances and purchases and the rates on fixed-rate mortgages, making some comparisons between business last year and this current year. She also reported that TGD will hold the annual settlement conference on April 19 at the Sheraton in West Des Moines, and the annual TG conference on November 15 in Coralville.

Possible Closed Session Re: Pending Litigation per Iowa Code §21.5(1)(c)

It was decided that there was no need for a closed session at the time.

Miscellaneous Items

Receive Comments from General Public

Chair Baum opened the public comment period and asked if anyone in the audience would like to address the Board.

There being no audience members wishing to address the Board, Chair Baum closed the public comment period.

Adjournment

Chair Baum announced that the next regular monthly IFA Board meeting would be held at 11:00 a.m. on Wednesday, March 7, in IFA's Presentation Room.

There being no further business, on a motion by Mr. Heil and a second by Mr. Greenspon, the February 1, 2012, meeting of the IFA Board of Directors adjourned at 12:20 p.m.

Dated this 7th day of March 2012.

Respectfully submitted:

Approved as to form:

David D. Jamison
Executive Director/Board Secretary
Iowa Finance Authority

Darlys J. Baum, Chair
Iowa Finance Authority

S:\Administration\Board\Minutes\Minutes 2012\2-1-12Minutes.doc

Memorandum

To: David Jamison, Executive Director
Mark Thompson, General Counsel
Nancy Wallis, Administrative Assistant

From: Jeffrey Heil

Date: 2/1/12

Re: Disclosure of Conflict of Interest

Pursuant to Iowa Code section 16.35, the undersigned member of the Board of the Iowa Finance Authority hereby discloses the following conflict of interest with respect to Enseva Hewlett [describe matter to which the conflict applies – for example, Resolution #01-6A, a specific board action, tax credits, etc.]:

ED - 1130 B

Finance Advisor to Enseva
[describe the conflict](the "Conflict").

Because of the Conflict, the undersigned will not participate in action by the Authority with respect to the matter described above.

Jeffrey Heil
(Signature)
Jeffrey Heil
(Printed Name)



To: David D Jamison
 From: Steven E Harvey *seh*
 Date: February 15, 2012
 Re: January 2012 Financial Results

Financial Performance Targets:

Housing Agency:	6/30/2009	6/30/2010	6/30/2011	12/31/2011	Budget
Equity/asset ratio > 12.2%	12.4%	11.5%	16.9%	19.2%	16.5%
Return on assets ≥ .80%	0.47%	0.46%	3.20%	1.46%	0.48%
Net interest margin > 1.15%	0.68%	0.67%	0.78%	1.03%	0.86%
Loans/asset ratio > 80%	73.4%	58.9%	63.9%	66.6%	72.2%
Loan & mbs portfolio	1,073,374,099	963,477,424	897,839,338	855,338,125	894,999,000
SRF loan portfolio	724,682,689	859,436,730	1,079,065,360	1,211,771,964	1,179,769,000
Staff Count	83	86	88	87	90

Housing Agency results -

YTD operating income of \$18,699,025 is \$7,012,938 or 60.0% favorable to budget.

- Fee income exceeds budget by \$1,082,332 led by TG fees.
- Net interest income exceeds budget by \$965,929 due to the gain on the sale of mortgage backed securities from the SF 2002 BCDE series and repayment of related debt.
- Net grant income exceeds budget by \$4,985,595 due to the Community Housing & Services Revolving Loan program and the State Housing Trust Fund appropriations that were not planned.

YTD operating expense of \$7,179,753 is \$203,824 or 2.8% favorable to budget.

- Direct employee and indirect operating expense are \$192,631 favorable to budget.
- Provision for losses is \$361,907 favorable due to the release of \$300,000 of TG known claim reserves.
- Professional service expense is unfavorable to budget due to TG attorney incentive fees paid.

Net operating income of \$11,519,272 is \$7,216,762 favorable to budget.

Outstanding grant commitments are \$119,064,602:

IJOBS - \$103,094,266; Other State Programs - \$10,319,450; Federal Programs - \$5,650,886
 (See - Grant Commitments Report).

State Revolving Fund results -

YTD operating income of \$45,015,728 is \$22,042,425 favorable to budget due to availability of cap grants much earlier than planned. Also, net interest income and fee income both exceeds budget as loan volume continues to outperform the budget.

YTD operating expense of \$4,598,734 is \$474,950 favorable to budget.

Net operating income of \$40,416,994 is \$22,517,375 favorable to budget.

Iowa Finance Authority
Summary Financial Information
January 31, 2012

Housing Agency	Current Month			
	Actual	Budget	Variance	%
Fee income	944,848	587,863	356,985	60.7%
Net interest income	751,682	832,899	(81,217)	-9.8%
Net grant income	1,190,351	103,866	1,086,485	1046.0%
Other income	3,941	5,500	(1,559)	-28.3%
Total operating income	2,890,822	1,530,128	1,360,694	88.9%
Direct employee expense	701,128	724,594	(23,466)	-3.2%
Indirect operating expense	74,678	85,554	(10,876)	-12.7%
Marketing expense	23,839	27,083	(3,244)	-12.0%
Professional service expense	355,981	254,999	100,982	39.6%
Provision for losses	53,549	36,928	16,621	45.0%
Miscellaneous	12,189	2,050	10,139	494.6%
Total operating expense	1,221,364	1,131,208	90,156	8.0%
Net operating income (loss)	1,669,458	398,920	1,270,538	318.5%

State Revolving Fund

Fee income	330,438	342,951	(12,513)	-3.6%
Net interest income	34,999	405,211	(370,212)	-91.4%
Net grant income	11,795,729	2,971,223	8,824,506	297.0%
Other income	-	-	-	0.0%
Total operating income	12,161,166	3,719,385	8,441,781	227.0%
Direct employee expense	67,222	70,895	(3,673)	-5.2%
Indirect operating expense	6,853	5,230	1,623	31.0%
Marketing expense	3,824	4,166	(342)	-8.2%
Professional service expense	31,997	20,637	11,360	55.0%
Provision for losses	33,000	33,000	-	0.0%
Miscellaneous	342,890	586,622	(243,732)	-41.5%
Total operating expense	485,786	720,550	(234,764)	-32.6%
Net operating income (loss)	11,675,380	2,998,835	8,676,545	289.3%

Consolidated

Fee income	1,275,287	930,814	344,473	37.0%
Net interest income	786,682	1,238,110	(451,428)	-36.5%
Net grant income	12,986,080	3,075,089	9,910,991	322.3%
Other income	3,941	5,500	(1,559)	-28.3%
Total operating income	15,051,990	5,249,513	9,802,477	186.7%
Direct employee expense	768,348	795,489	(27,141)	-3.4%
Indirect employee expense	81,529	90,784	(9,255)	-10.2%
Marketing expense	27,664	31,249	(3,585)	-11.5%
Professional service expense	387,978	275,636	112,342	40.8%
Provision for losses	86,549	69,928	16,621	23.8%
Miscellaneous	355,080	588,672	(233,592)	-39.7%
Total operating expense	1,707,148	1,851,758	(144,610)	-7.8%
Net operating income (loss)	13,344,842	3,397,755	9,947,087	292.8%

Year to date			
Actual	Budget	Variance	%
5,474,834	4,392,502	1,082,332	24.6%
7,551,084	6,585,155	965,929	14.7%
5,580,525	594,930	4,985,595	838.0%
92,582	113,500	(20,918)	-18.4%
18,699,025	11,686,087	7,012,938	60.0%
4,871,273	4,979,294	(108,021)	-2.2%
508,272	592,882	(84,610)	-14.3%
367,415	349,583	17,832	5.1%
2,220,876	1,930,441	290,435	15.0%
(844,880)	(482,973)	(361,907)	74.9%
56,797	14,350	42,447	295.8%
7,179,753	7,383,577	(203,824)	-2.8%
11,519,272	4,302,510	7,216,762	167.7%

2,458,920	2,305,390	153,530	6.7%
4,278,768	3,716,898	561,870	15.1%
38,278,040	16,951,015	21,327,025	125.8%
-	-	-	0.0%
45,015,728	22,973,303	22,042,425	95.9%
452,752	489,384	(36,632)	-7.5%
31,259	36,610	(5,351)	-14.6%
10,366	29,166	(18,800)	-64.5%
191,021	181,152	9,869	5.4%
231,000	231,000	-	0.0%
3,682,336	4,106,372	(424,036)	-10.3%
4,598,734	5,073,684	(474,950)	-9.4%
40,416,994	17,899,619	22,517,375	125.8%

7,933,755	6,697,892	1,235,863	18.5%
11,829,853	10,302,053	1,527,800	14.8%
43,858,565	17,545,945	26,312,620	150.0%
92,582	113,500	(20,918)	0.0%
63,714,755	34,659,390	29,055,365	83.8%
5,324,025	5,468,678	(144,653)	-2.6%
539,534	629,492	(89,958)	-14.3%
377,782	378,749	(967)	-0.3%
2,411,898	2,111,593	300,305	14.2%
(613,880)	(251,973)	(361,907)	143.6%
3,739,134	4,120,722	(381,588)	-9.3%
11,778,493	12,457,261	(678,768)	-5.4%
51,936,262	22,202,129	29,734,133	133.9%

Note - minor rounding errors may occur

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
Fee Income	1275,287-	930,814-	137.01	7933,755-	6697,892-	118.45	12531,256-	4597,501-
Net Interest Income	786,682-	1238,110-	63.54	11829,853-	10302,053-	114.83	17216,199-	5386,346-
Net Grant Income	12986,080-	3075,089-	422.30	43858,565-	17545,945-	249.96	22093,792-	21764,773
Authority Fee Income			.00			.00		
Other Income	3,941-	5,500-	71.65	92,582-	113,500-	81.57	141,000-	48,418-
Total Operating Income	15051,990-	5249,513-	286.73	63714,755-	34659,390-	183.83	51982,247-	11732,508
Salary & Benefits	753,612	777,112	96.98	5204,653	5340,080	97.46	9159,260	3954,607
Salary Transferred In (Out)		1	.00		1	.00		
Travel Expense	12,075	12,206	98.93	81,698	85,467	95.59	146,531	64,833
Education & Training Expense	2,661	6,170	43.13	37,674	43,130	87.35	73,980	36,306
Direct Employee Expenses	768,348	795,489	96.59	5324,025	5468,678	97.35	9379,771	4055,746
Office Supplies & Postage	16,841	13,430	125.40	110,984	94,010	118.06	161,160	50,176
Telephone & Data Expense	8,746	8,840	98.94	54,171	61,880	87.54	106,080	51,909
Facility Expense	16,383	17,250	94.97	110,715	120,750	91.69	207,000	96,285
Equipment Expense	21,393	26,474	80.81	132,456	185,322	71.47	317,699	185,243
Depreciation Expense	18,166	24,790	73.28	131,208	167,530	78.32	291,480	160,272
Indirect Operating Expense	81,529	90,784	89.81	539,534	629,492	85.71	1083,419	543,885
Marketing Expense	27,664	31,249	88.53	377,782	378,749	99.74	535,000	157,218
Professional Services	387,978	275,636	140.76	2411,898	2111,593	114.22	3854,920	1443,022
Authority Fee Expense			.00			.00		
Provision for Losses	86,549	69,928	123.77	613,880-	251,973-	243.63	109,545	723,425
Misc Expenses	355,080	588,672	60.32	3739,134	4120,722	90.74	7064,112	3324,978
Other Operating Expenses	857,271	965,485	88.79	5914,934	6359,091	93.02	11563,577	5648,643
Total Operating Expense	1707,148	1851,758	92.19	11778,493	12457,261	94.55	22026,767	10248,274
Net Operating Income	13344,842-	3397,755-	392.75	51936,262-	22202,129-	233.92	29955,480-	21980,782
Interagency Grants			.00			.00		
FMVA	1202,660		.00	4385,216-		.00		4385,216
Other Non-Operating			.00			.00		
Net Income	12142,182-	3397,755-	357.36	56321,478-	22202,129-	253.68	29955,480-	26365,998

DESCRIPTION	OPENING BALANCE	NET CHANGE	CLOSING BALANCE	LAST YR BALANCE	% VAR
CASH	141,408,328.08	160,589.91	141,568,917.99	190,196,362.75	74.43
CASH EQUIVALENTS	543,472,896.70	65,387,826.67-	478,085,070.03	512,820,160.51	93.23
INVESTMENTS	206,649,011.69	4,537,301.25	211,186,312.94	188,556,019.42	112.00
INV FMVA	2,355,988.19	73,459.39	2,429,447.58	1,901,556.16	127.76
MORTGAGE BACKED SECURITIES	724,680,766.80	6,679,742.90-	718,001,023.90	797,178,108.08	90.07
MBS FMVA	73,160,511.38	1,276,118.95-	71,884,392.43	60,827,155.12	118.18
OTHER HOUSING LOANS	130,657,358.66	360,801.50	131,018,160.16	96,095,193.04	136.34
SRF LOANS	1,211,771,963.51	19,037,058.06	1,230,809,021.57	1,033,070,631.64	119.14
INTEREST RECEIVABLE	8,494,859.29	2,815,015.44	11,309,874.73	9,833,441.15	115.01
CAPITAL ASSETS	4,481,273.01	98,287.73	4,579,560.74	4,459,380.06	102.70
PROVISION FOR ACCUMULATED DEPRECIATION	1,581,076.84-	18,165.70-	1,599,242.54-	1,350,637.15-	118.41
TRADE ACCOUNTS RECEIVABLE	1,961,461.59	1,397,945.03-	563,516.56	954,095.33	59.06
OTHER ASSETS	14,684,845.53	392,942.89	15,077,788.42	14,427,866.12	104.50
DEFERRED DERIVATIVES	22,027,868.91		22,027,868.91		
TOTAL ASSETS	3,084,226,056.50	47,284,343.08-	3,036,941,713.42	2,908,969,332.23	104.40
BOND PAYABLE	1,888,259,407.20-	48,763,708.65	1,839,495,698.55-	1,814,618,553.81-	101.37
INTEREST PAYABLE	28,151,868.56-	8,008,315.65	20,143,552.91-	15,854,372.54-	127.05
DEFERRED INCOME	18,006,841.98-	75,146.03	17,931,695.95-	16,344,580.31-	109.71
REBATES OWED	2,833,889.86-	1,832,247.89	1,001,641.97-	2,519,989.82-	39.75
RESERVE FOR LOSSES	3,989,142.77-	53,548.74-	4,042,691.51-	5,053,303.65-	80.00
ACCOUNTS PAYABLE & OTHER CURR LIAB	83,988,617.80-	800,655.31	83,187,962.49-	144,592,258.86-	57.53
DERIVATIVE LIABILITY	22,419,317.79-		22,419,317.79-		
TOTAL LIABILITIES	2,047,649,085.96-	59,426,524.79	1,988,222,561.17-	1,998,983,058.99-	99.46
FUND BALANCE	992,397,676.88-		992,397,676.88-	886,353,595.86-	111.96
TRANSFER BETWEEN FUNDS				284,866.42-	
CURRENT YEAR EARNINGS	44,179,293.66-	12,142,181.71-	56,321,475.37-	23,347,810.96-	241.23
TOTAL NET ASSETS	1,036,576,970.54-	12,142,181.71-	1,048,719,152.25-	909,986,273.24-	115.25
TOTAL LIABILITIES AND NET ASSETS	3,084,226,056.50-	47,284,343.08	3,036,941,713.42-	2,908,969,332.23-	104.40

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
Fee Income	944,848-	587,863-	160.73	5474,834-	4392,502-	124.64	8456,408-	2981,574-
Net Interest Income	751,682-	832,899-	90.25	7551,084-	6585,155-	114.67	11088,232-	3537,148-
Net Grant Income	1190,351-	103,866-	1146.04	5580,525-	594,930-	938.01	89,346	5669,871
Authority Fee Income			.00			.00		
Other Income	3,941-	5,500-	71.65	92,582-	113,500-	81.57	141,000-	48,418-
Total Operating Income	2890,822-	1530,128-	188.93	18699,025-	11686,087-	160.01	19596,294-	897,269-
Salary & Benefits	694,095	715,880	96.96	4806,139	4917,405	97.74	8435,157	3629,018
Salary Transferred In (Out)	7,704-	9,132-	84.36	51,636-	62,998-	81.96	108,038-	56,402-
Travel Expense	12,076	11,906	101.43	79,696	83,367	95.60	142,931	63,235
Education & Training Expense	2,661	5,940	44.80	37,074	41,520	89.29	71,220	34,146
Direct Employee Expenses	701,128	724,594	96.76	4871,273	4979,294	97.83	8541,270	3669,997
Office Supplies & Postage	13,482	12,570	107.26	104,756	87,990	119.05	150,840	46,084
Telephone & Data Expense	8,291	8,320	99.65	50,966	58,240	87.51	99,840	48,874
Facility Expense	15,177	15,910	95.39	102,332	111,370	91.88	190,920	88,588
Equipment Expense	21,163	26,204	80.76	130,585	183,432	71.19	314,459	183,874
Depreciation Expense	16,565	22,550	73.46	119,633	151,850	78.78	264,600	144,967
Indirect Operating Expense	74,678	85,554	87.29	508,272	592,882	85.73	1020,659	512,387
Marketing Expense	23,839	27,083	88.02	367,415	349,583	105.10	485,000	117,585
Professional Services	355,981	254,999	139.60	2220,876	1930,441	115.05	3555,031	1334,155
Authority Fee Expense			.00			.00		
Provision for Losses	53,549	36,928	145.01	844,880-	482,973-	174.93	286,455-	558,425
Misc Expenses	12,189	2,050	594.59	56,797	14,350	395.80	24,600	32,197-
Other Operating Expenses	445,558	321,060	138.78	1800,208	1811,401	99.38	3778,176	1977,968
Total Operating Expense	1221,364	1131,208	107.97	7179,753	7383,577	97.24	13340,105	6160,352
Net Operating Income	1669,458-	398,920-	418.49	11519,272-	4302,510-	267.73	6256,189-	5263,083
Interagency Grants			.00			.00		
FMVA	1206,262		.00	4406,061-		.00		4406,061
Other Non-Operating			.00			.00		
Net Income	463,196-	398,920-	116.11	15925,333-	4302,510-	370.14	6256,189-	9669,144

DESCRIPTION	OPENING BALANCE	NET CHANGE	CLOSING BALANCE	LAST YR BALANCE	% VAR
CASH	82,304,354.92	257,210.28	82,561,565.20	137,297,667.73	60.13
CASH EQUIVALENTS	216,128,412.06	47,052,272.47-	169,076,139.59	290,557,879.13	58.19
INVESTMENTS	111,606,060.71	6,276,747.73-	105,329,312.98	88,113,641.50	119.54
INV FMVA	2,333,224.89	69,857.65	2,403,082.54	1,883,869.08	127.56
MORTGAGE BACKED SECURITIES	724,680,766.80	6,679,742.90-	718,001,023.90	797,178,108.08	90.07
MBS FMVA	73,160,511.38	1,276,118.95-	71,884,392.43	60,827,155.12	118.18
OTHER HOUSING LOANS	130,657,358.66	360,801.50	131,018,160.16	96,095,193.04	136.34
SRF LOANS					
INTEREST RECEIVABLE	4,403,950.17	229,479.43	4,633,429.60	4,863,213.91	95.28
CAPITAL ASSETS	4,481,273.01	98,287.73	4,579,560.74	4,459,380.06	102.70
PROVISION FOR ACCUMULATED DEPRECIATION	1,581,076.84-	18,165.70-	1,599,242.54-	1,350,637.15-	118.41
TRADE ACCOUNTS RECEIVABLE	212,799.63	18,266.80-	194,532.83	146,362.62	132.91
OTHER ASSETS	11,157,940.27	238,656.11	11,396,596.38	11,379,849.03	100.15
DEFERRED DERIVATIVES	22,027,868.91		22,027,868.91		
TOTAL ASSETS	1,381,573,444.57	60,067,021.85-	1,321,506,422.72	1,491,451,682.15	88.61
BOND PAYABLE	930,368,378.71-	48,395,771.25	881,972,607.46-	1,075,247,499.14-	82.03
INTEREST PAYABLE	14,700,864.90-	11,513,234.07	3,187,630.83-	3,470,791.66-	91.84
DEFERRED INCOME	4,793,821.10-	5,266.58	4,788,554.52-	5,133,251.11-	93.29
REBATES OWED	205,128.52-		205,128.52-	106,994.94-	191.72
RESERVE FOR LOSSES	3,989,142.77-	53,548.74-	4,042,691.51-	5,053,303.65-	80.00
ACCOUNTS PAYABLE & OTHER CURR LIAB	82,882,242.42-	669,498.37	82,212,744.05-	142,932,558.57-	57.52
DERIVATIVE LIABILITY	22,419,317.79-		22,419,317.79-		
TOTAL LIABILITIES	1,059,358,896.21-	60,530,221.53	998,828,674.68-	1,231,944,399.07-	81.08
FUND BALANCE	306,752,415.68-		306,752,415.68-	262,005,898.92-	117.08
TRANSFER BETWEEN FUNDS				284,866.42-	
CURRENT YEAR EARNINGS	15,462,132.68-	463,199.68-	15,925,332.36-	2,783,482.26	572.14-
TOTAL NET ASSETS	322,214,548.36-	463,199.68-	322,677,748.04-	259,507,283.08-	124.34
TOTAL LIABILITIES AND NET ASSETS	1,381,573,444.57-	60,067,021.85	1,321,506,422.72-	1,491,451,682.15-	88.61

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
Fee Income	330,438-	342,951-	96.35	2458,920-	2305,390-	106.66	4074,848-	1615,928-
Net Interest Income	34,999-	405,211-	8.64	4278,768-	3716,898-	115.12	6127,967-	1849,199-
Net Grant Income	11795,729-	2971,223-	397.00	38278,040-	16951,015-	225.82	22183,138-	16094,902
Authority Fee Income			.00			.00		
Other Income			.00			.00		
Total Operating Income	12161,166-	3719,385-	326.97	45015,728-	22973,303-	195.95	32385,953-	12629,775
Salary & Benefits	59,518	61,232	97.20	398,514	422,675	94.28	724,103	325,589
Salary Transferred In (Out)	7,704	9,133	84.35	51,636	62,999	81.96	108,038	56,402
Travel Expense		300	.00	2,002	2,100	95.33	3,600	1,598
Education & Training Expense		230	.00	600	1,610	37.27	2,760	2,160
Direct Employee Expenses	67,222	70,895	94.82	452,752	489,384	92.51	838,501	385,749
Office Supplies & Postage	3,360	860	390.70	6,228	6,020	103.46	10,320	4,092
Telephone & Data Expense	455	520	87.50	3,204	3,640	88.02	6,240	3,036
Facility Expense	1,207	1,340	90.07	8,383	9,380	89.37	16,080	7,697
Equipment Expense	230	270	85.19	1,870	1,890	98.94	3,240	1,370
Depreciation Expense	1,601	2,240	71.47	11,574	15,680	73.81	26,880	15,306
Indirect Operating Expense	6,853	5,230	131.03	31,259	36,610	85.38	62,760	31,501
Marketing Expense	3,824	4,166	91.79	10,366	29,166	35.54	50,000	39,634
Professional Services	31,997	20,637	155.05	191,021	181,152	105.45	299,889	108,868
Authority Fee Expense			.00			.00		
Provision for Losses	33,000	33,000	100.00	231,000	231,000	100.00	396,000	165,000
Misc Expenses	342,890	586,622	58.45	3682,336	4106,372	89.67	7039,512	3357,176
Other Operating Expenses	411,711	644,425	63.89	4114,723	4547,690	90.48	7785,401	3670,678
Total Operating Expense	485,786	720,550	67.42	4598,734	5073,684	90.64	8686,662	4087,928
Net Operating Income	11675,380-	2998,835-	389.33	40416,994-	17899,619-	225.80	23699,291-	16717,703
Interagency Grants								
FMVA	3,602-		.00	20,845		.00		20,845-
Other Non-Operating			.00			.00		
Net Income	11678,982-	2998,835-	389.45	40396,149-	17899,619-	225.68	23699,291-	16696,858

DESCRIPTION	OPENING BALANCE	NET CHANGE	CLOSING BALANCE	LAST YR BALANCE	% VAR
CASH	59,103,973.16	96,620.37-	59,007,352.79	52,898,695.02	111.55
CASH EQUIVALENTS	327,344,484.64	18,335,554.20-	309,008,930.44	222,262,281.38	139.03
INVESTMENTS	95,042,950.98	10,814,048.98	105,856,999.96	100,442,377.92	105.39
INV FMVA	22,763.30	3,601.74	26,365.04	17,687.08	149.06
MORTGAGE BACKED SECURITIES					
MBS FMVA					
OTHER HOUSING LOANS					
SRF LOANS	1,211,771,963.51	19,037,058.06	1,230,809,021.57	1,033,070,631.64	119.14
INTEREST RECEIVABLE	4,090,909.12	2,585,536.01	6,676,445.13	4,970,227.24	134.33
CAPITAL ASSETS					
PROVISION FOR ACCUMULATED DEPRECIATION					
TRADE ACCOUNTS RECEIVABLE	1,748,661.96	1,379,678.23-	368,983.73	807,732.71	45.68
OTHER ASSETS	3,526,905.26	154,286.78	3,681,192.04	3,048,017.09	120.77
DEFERRED DERIVATIVES					
TOTAL ASSETS	1,702,652,611.93	12,782,678.77	1,715,435,290.70	1,417,517,650.08	121.02
BOND PAYABLE	957,891,028.49-	367,937.40	957,523,091.09-	739,371,054.67-	129.51
INTEREST PAYABLE	13,451,003.66-	3,504,918.42-	16,955,922.08-	12,383,580.88-	136.92
DEFERRED INCOME	13,213,020.88-	69,879.45	13,143,141.43-	11,211,329.20-	117.23
REBATES OWED	2,628,761.34-	1,832,247.89	796,513.45-	2,412,994.88-	33.01
RESERVE FOR LOSSES					
ACCOUNTS PAYABLE & OTHER CURR LIAB	1,106,375.38-	131,156.94	975,218.44-	1,659,700.29-	58.76
DERIVATIVE LIABILITY					
TOTAL LIABILITIES	988,290,189.75-	1,103,696.74-	989,393,886.49-	767,038,659.92-	128.99
FUND BALANCE	685,645,261.20-		685,645,261.20-	624,347,696.94-	109.82
TRANSFER BETWEEN FUNDS					
CURRENT YEAR EARNINGS	28,717,160.98-	11,678,982.03-	40,396,143.01-	26,131,293.22-	154.59
TOTAL NET ASSETS	714,362,422.18-	11,678,982.03-	726,041,404.21-	650,478,990.16-	111.62
TOTAL LIABILITIES AND NET ASSETS	1,702,652,611.93-	12,782,678.77-	1,715,435,290.70-	1,417,517,650.08-	121.02

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	(REFERENCE)	(UNUTILIZED)
Grant Income - Private Funds								
Rural Home DPA (FHLB)			.00			.00		
Real Estate Owned DPA (FHLB)		5,000-	.00		35,000-	.00	60,000-	60,000-
Total Private Sector Funds		5,000-	.00		35,000-	.00	60,000-	60,000-
Grant Income - State Funds								
SHTF - Approp, RETA Int, RETT	1199,815-	190,500-	629.82	3588,843-	1282,500-	279.83	2235,000-	1353,843
HCBS Rent Subsidy	60,111-	55,416-	108.47	430,225-	387,916-	110.91	665,000-	234,775-
Military DPA	101,403-	83,333-	121.68	974,399-	583,333-	167.04	1000,000-	25,601-
Shelter Assistance Fund	147,089-		.00	460,914-		.00		460,914
Aftercare Rent Subsidy	5,350-	3,488-	153.38	38,702-	24,416-	158.51	41,856-	3,154-
Wastewater Treatment Grants			.00	140,536-	38,558-	364.48	38,558-	101,978
Jumpstart			.00	59,112-	1088,658-	5.43	1088,658-	1029,546-
IJOBS - FY10 Programs	1580,717-	3612,173-	43.76	20312,098-	25285,219-	80.33	43346,098-	23034,000-
IJOBS - Administration			.00			.00		
IJOBS - FY11 Programs	1907,188-	3803,625-	50.14	19516,248-	26625,383-	73.30	45643,519-	26127,271-
Iowans Helping Iowans	6,220-	422,400-	1.47	1331,661-	2956,800-	45.04	2956,800-	1625,139-
Misc State Funds			.00	3457,213-		.00		3457,213
Total State Funds	5007,893-	8170,935-	61.29	50309,951-	58272,783-	86.34	97015,489-	46705,538-
Grant Income - Federal Funds								
Telework & AFP (84.235T & 84.224C)			.00			.00		
Hsg Ops Persons with Aids (14.241)	59,116-	33,333-	177.35	244,724-	233,333-	104.88	400,000-	155,276-
Rural Comm Dev Initiative (10.446)			.00			.00		
Emergency Shelter Grant Prog (14.231)	14,140-	133,333-	10.61	1130,525-	933,333-	121.13	1600,000-	469,475-
HSG Counseling Assistance (14.169)			.00	37,331-		.00		37,331
Shelter Care Plus (14.238)		5,026-	.00	7,021-	35,182-	19.96	60,312-	53,291-
National Foreclosure Mit. (21.000)		41,666-	.00	733,070-	291,666-	251.34	500,000-	233,070
LIHTC S1602 (21.XXX)			.00			.00		
TCAP (14.258)			.00			.00		
Homelessness Prevention (14.257)	268,186-	308,000-	87.07	2739,801-	2156,000-	127.08	3696,000-	956,199-
HOME (14.239)	192,271-	879,527-	21.86	4712,576-	6150,054-	76.63	10544,083-	5831,507-
SSBG (93.667)			.00	86,888-		.00		86,888
CDBG (14.228)		78,923-	.00	194,940-	552,461-	35.29	947,077-	752,137-
Grant Income - Misc Fed Funds								
Total Federal Funds	533,713-	1479,808-	36.07	9886,876-	10352,029-	95.51	17747,472-	7860,596-
Total Grant Income	5541,606-	9655,743-	57.39	60196,827-	68659,812-	87.67	114822,961-	54626,134-

DESCRIPTION	----- THIS MONTH -----			----- THIS Y-T-D -----			----- ANNUAL BUDGET -----	
	CURRENT	BUDGET	% BDGT	CURRENT	BUDGET	% BDGT	{REFERENCE}	{UNUTILIZED}
Grant Expense - IFA Funds								
Serv Acq Fee / Release Premium	20,076-	22,207-	90.40	142,787-	155,448-	91.86	266,483-	123,696-
FirstHome Plus	97,467	97,305	100.17	676,671	648,635	104.32	1135,160	458,489
Misc IFA Grants	1,940		.00	116,000		.00		116,000-
Total IFA Grants	79,331	75,098	105.64	649,884	493,187	131.77	868,677	218,793
Grant Expense - Private Funds								
Rural Home DPA (FHLB)			.00			.00		
Real Estate Owned DPA (FHLB)		5,000	.00		35,000	.00	60,000	60,000
Total Private Sector Grant Funds		5,000	.00		35,000	.00	60,000	60,000
Grant Expense - State Funds								
State Housing Trust Fund	101,148	50,000	202.30	2186,281	450,000	485.84	1900,000	286,281-
HCBS Rent Subsidy	57,019	52,645	108.31	408,448	368,519	110.83	631,750	223,302
Military DPA	101,403	83,333	121.68	974,399	583,333	167.04	1000,000	25,601
Shelter Assistance Fund		60,000	.00	186,299	420,000	44.36	720,000	533,701
Aftercare Rent Subsidy	5,350	3,488	153.38	38,702	24,416	158.51	41,856	3,154
Wastewater Treatment Grants			.00	140,536	38,558	364.48	38,558	101,978-
Jumpstart			.00	59,112	1088,658	5.43	1088,658	1029,546
IJOBS - FY10 Programs	1580,717	3612,173	43.76	20312,098	25285,219	80.33	43346,098	23034,000
IJOBS - FY11 Programs	1907,188	3803,625	50.14	19516,248	26625,383	73.30	45643,519	26127,271
Iowans Helping Iowans	6,220	422,400	1.47	1331,661	2956,800	45.04	2956,800	1625,139
Misc State Funds			.00			.00		
Total State Funds	3759,045	8087,664	46.48	45153,784	57840,886	78.07	97367,239	52213,455
Grant Expense - Federal Funds								
Telework & AFP (84.235T & 84.224C)			.00			.00		
Hsg Ops Persons with Aids (14.241)	59,116	30,833	191.73	244,154	215,833	113.12	370,000	125,846
Rural Comm Dev Initiative (10.446)			.00			.00		
Emergency Shelter Grant Prog (14.231)		130,833	.00	1089,649	915,833	118.98	1570,000	480,351
HSG Counseling Assistance (14.169)			.00	37,331		.00		37,331-
Shelter Care Plus (14.238)		5,026	.00	7,021	35,182	19.96	60,312	53,291
National Foreclosure Mit. (21.000)	74,735	37,500	199.29	589,915	262,500	224.73	450,002	139,913-
LIHTC S1602 (21.XXX)			.00			.00		
TCAP (14.258)			.00			.00		
Homeless Prev & RR (14.257)	268,186	301,000	89.10	2693,013	2114,000	127.39	3619,000	925,987
HOME (14.239)	85,343	800,000	10.67	4013,014	5600,000	71.66	9600,000	5586,986
SSBG (93.667)		78,923	.00	86,888	552,461	15.73	947,077	860,189
CDBG (14.228)	25,500		.00	51,650		.00		51,650-
Total Federal Funds	512,880	1384,115	37.05	8812,635	9695,809	90.89	16616,391	7803,756
Total Grant Expense	4351,256	9551,877	45.55	54616,303	68064,882	80.24	114912,307	60296,004

**Iowa Finance Authority
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2011	FY12	FY12 Payments				Commitment Balance
				Additions (Red)	1/13/2012	1/20/2012	1/27/2012	Total	
I-JOBS Local Infrastructure - \$165,000,000									
City of Forest City - Public Works Facility	6	\$537,050	1,917	0				(1,917)	(\$0)
City of Stratford - Storm Sewer on Moore	14	\$16,586	1,723	0				0	\$1,723
Linn County - Juvenile Law Cntr & Courthouse	16	\$3,690,000	1,122,536	0				(1,122,536)	\$0
City of Eldora - HWY 175 Flood Mitigation	25	\$261,000	94,309	0				(94,309)	\$0
City of Glidden - Storm Water	34	\$287,500	252,865	0				(252,865)	\$0
City of Marion - Thomas Park Maint-Storm Shelter	40	\$1,031,500	569,721	0				(569,721)	\$0
City of Brooklyn - Public Safety Building	41	\$573,500	34,437	0				(34,437)	\$0
City of Indianola - National Balloon Museum	49	\$188,300	59,110	0				(9,550)	\$49,560
City of Stanhope - Library/Community Building	53	\$500,000	99,398	0			(1,099)	(73,310)	\$26,087
City of Cedar Falls - Public Works Complex	55	\$8,741,250	5,117,951	0			(510,947)	(2,978,817)	\$2,139,134
City of Letts - New Library & Community Center	70	\$400,000	115,799	(68,375)				0	\$47,424
City of Mason City - Equipment Storage Facility	71	\$772,500	692,370	(202,547)				(374,961)	\$114,863
City of Cedar Rapids - US Cellular Center/Event Center	78	\$15,000,000	14,246,862	0			(398,667)	(5,200,512)	\$9,046,350
City of Avoca - West Ditch (Pershing St. to Hwy 83)	81	\$203,910	3,758	0				0	\$3,758
City of Cedar Rapids - Public Library Main Facility	83	\$5,000,000	5,000,000	0				(2,407,249)	\$2,592,751
City of Fort Madison - Santa Fe Depot	85	\$1,131,344	765,795	0				(605,369)	\$160,427
City of Cedar Rapids - Acq Flood-Blighted Dwtn Prop	90	\$380,250	15,329	0				0	\$15,329
City of Fayette - Concrete Flood Wall	103	\$53,750	6,307	0				0	\$6,307
City of Cedar Rapids - 6th St SW Reconstruction	109	\$3,309,375	2,726,885	0				(2,154,194)	\$572,691
City of Creston - Northeast Sewer /Storm Sewer	119	\$686,250	613,453	0			(553)	(534,284)	\$79,169
City of Waukee - Public Works Facility	122	\$3,450,000	547,020	(374,505)				(127,808)	\$44,708
Polk County Board of Supervisors - Reg Emerg Op Ctr	133	\$1,840,000	614,502	(108,154)			(113,333)	(113,333)	\$393,015
Legion Arts - CSPS Hall	142	\$4,800,000	1,797,479	0				(1,797,479)	\$0
City of Des Moines - Birdland Levee Replacement	143	\$2,205,000	657,307	(330,944)				(311,181)	\$15,181
City of Hartford - Vine Street Drainage Improvements	150	\$52,875	1,748	0				(1,748)	\$0
City of Windsor Heights - Community Center	167	\$640,104	45,447	0				(24,426)	\$21,022
City of Defiance - Storm Sewer Construction	169	\$155,000	61,491	0				0	\$61,491
Johnson County - Old Armory Removal	170	\$975,000	200,240	0				0	\$200,240
City of Des Moines - Franklin Avenue Library Renov	173	\$2,200,000	507,567	252,642				(211,112)	\$549,097
City of DeWitt - East Side Storm Water	182	\$300,000	147,511	0				(147,511)	\$0
Des Moines County - Tama Road Reconstruction	184	\$175,000	175,000	0				(148,491)	\$26,509
City of Toledo, Iowa - Public Works Facility Flood Mit	186	\$727,500	21,957	0				(21,957)	(\$0)
City of Council Bluffs - Public Works Operation Fac	188	\$3,869,000	500,761	0				(458,490)	\$42,270
City of Spillville - WWTF Improvements	192	\$906,225	818,612	0				(517,113)	\$301,500
City of Iowa City - Fire Station #4	195	\$2,268,867	988,179	0				(130,607)	\$857,572
City of Iowa City - Wastewater Treatment Plant	196	\$3,495,293	2,286,160	0				(1,898,781)	\$387,378
City of Anamosa, Iowa - Wastewater Treatment Plant	202	\$3,069,000	2,866,223	(52,997)				(1,159,440)	\$1,653,787
City of Storm Lake - Sunrise Campground	208	\$700,000	33,050	(33,050)				0	(\$0)
Northeast Iowa Community College Foundation - Library	210	\$750,000	563,599	0				(314,347)	\$249,252
Wapello County - Bridge and Road Rebuilding	214	\$5,350,000	5,350,000	0				(2,110,199)	\$3,239,802
Perry Economic Development - DMACC Center	224	\$1,550,000	223,046	(223,046)				0	\$0
City of Avoca - RR ROW Storm Sewer Replacement	226	\$203,970	22,259	0				0	\$22,259
City of Coralville - Flood Recov & Protect 1st Ave Corr	230	\$27,140,573	3,943,723	0				(2,481,959)	\$1,461,764
Webster County - LEC Renovation	234	\$1,910,000	1,507,190	(126,219)				(1,014,336)	\$366,635
City of Ottumwa - City Hall Entrance/ Energy Efficiency	241	\$229,500	220,782	0				(161,508)	\$59,274
Linn County - Options Mental Health Building	NC02/297	\$5,000,000	2,379,582	0				(1,457,098)	\$922,484
City of Cedar Rapids - Steam Energy Solution	NC03/298	\$5,000,000	2,038,200	0				0	\$2,038,200
City of Cedar Rapids - Paramount Theater	NC04/299	\$5,000,000	5,000,000	0				0	\$5,000,000
City of Cedar Rapids - Public Library Main Facility	NC05/300	\$5,000,000	5,000,000	0				0	\$5,000,000
City of Cedar Rapids - Public Works Building	NC06/301	\$5,000,000	5,000,000	0				0	\$5,000,000
National Czech & Slovak Museum & Library - Museum	NC07/302	\$10,000,000	6,132,664	0				(4,274,482)	\$1,858,181
City of Palo - Fire Station	NC08/303	\$500,000	377,629	0				(34,400)	\$343,229
City of Charles City - Fire Station	NC10/305	\$500,000	184,638	(84,302)				(71,447)	\$28,889
Subtotal		\$147,726,972	\$81,754,091	(\$1,351,496)	\$0	\$0	(\$1,024,598)	(\$35,403,282)	\$44,999,314
I-JOBS Affordable Housing Assistance - \$20,000,000									
Affordable Housing Network, Inc.	IJH-03	\$6,500,000	875,583	0				(875,583)	\$0
City of Iowa City	IJH-06	\$1,250,000	875,856	0				(815,502)	\$60,355
Polk County Housing Trust Fund	IJH-11	\$159,250	117,269	0				0	\$117,269
Affordable Housing Network, Inc.	IJH-14	\$2,250,000	1,353,425	0				(1,055,443)	\$297,982
Siouxland Habitat for Humanity	IJH-16	\$525,525	214,929	0		(2,102)		(192,380)	\$22,550
Scott County Housing Council	IJH-22	\$153,838	28,334	0				(28,334)	\$0
City of Dubuque	IJH-26	\$240,000	56,299	0				(56,299)	\$0
City of Davenport	IJH-30	\$349,722	52,525	0			(14,650)	(30,935)	\$21,590
Sioux Falls Environmental Access, Inc.	IJH-35	\$725,000	725,000	0				0	\$725,000
Sioux Falls Environmental Access, Inc.	IJH-36	\$393,000	393,000	0				0	\$393,000
Sioux Falls Environmental Access, Inc.	IJH-37	\$827,900	827,900	0				0	\$827,900
Subtotal		\$13,374,235	\$5,520,119	\$0	\$0	(\$2,102)	(\$14,650)	(\$3,054,474)	\$2,465,645
I-JOBS Public Service Shelter Grant - \$10,000,000									
NIAD Center for Human Development	9	\$96,500	20,511	0				(20,511)	\$0
YWCA Domestic Violence Shelter	15	\$58,221	844	0				(844)	\$0
Northern Lights Alliance for the Homeless	21	\$200,000	76	0				0	\$76
First United Methodist Church-Boone Co	22	\$227,640	20,399	0				(20,399)	\$0
Opening Doors-Teresa Shelter	30	\$245,368	10,458	0				(10,458)	\$0
Central Iowa Shelter and Services	35	\$4,000,000	3,596,391	0				(1,091,886)	\$2,504,505
Youth Emergency Services and Shelter	39	\$248,609	22,094	0				(22,085)	\$9
Burlington Area Homeless Shelter	43	\$7,605	375	0				0	\$375
Subtotal		\$5,083,943	\$3,671,148	\$0	\$0	\$0	\$0	(\$1,166,183)	\$2,504,966
I-JOBS Water Quality Financial Assist. - \$55,000,000									
Davenport	WQ-03	\$9,500,000	5,596,098	0				(5,596,098)	\$0
Sioux City	WQ-28	\$8,000,000	188,900	0				(188,900)	\$0
Small Community		\$35,000,000	27,561,364	0	(500,000)	(354,990)	(690,757)	(9,197,194)	\$18,364,171
Subtotal		\$52,500,000	\$33,346,362	\$0	(\$500,000)	(\$354,990)	(\$690,757)	(\$14,982,191)	\$18,364,171
I-JOBS Jumpstart Housing Assistance - \$5,000,000									
E Central Iowa Council of Governments	09-02	\$691,072	122,517	0				0	\$122,517
City of Cedar Falls	09-03	\$120,905	950	0				0	\$950

**Iowa Finance Authority
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2011	FY12 Additions (Red)	FY12 Payments				Commitment Balance
					1/13/2012	1/20/2012	1/27/2012	Total	
N Iowa Area Council of Governments	09-05	\$225,000	39,654	0				0	\$39,654
Southwest Iowa Planning Council	09-06	\$48,362	31,752	0				0	\$31,752
City of Waterloo	09-08	\$200,000	122,469	0				0	\$122,469
City of Cedar Rapids	09-10	\$2,297,617	1,109,250	0				(1,109,250)	\$0
Subtotal		\$3,582,956	\$1,426,593	\$0	\$0	\$0	\$0	(\$1,109,250)	\$317,343
I-JOBS Local Disaster Prevention Competitive - \$30,000,000									
Calhoun County	307	\$339,364	202,273	0				(202,273)	\$0
City of Sabula	313	\$296,240	296,240	0				(27,354)	\$268,886
City of Stanton	317	\$625,100	625,100	0				0	\$625,100
City of Dubuque	326	\$3,965,500	2,747,676	0				(2,520,816)	\$226,859
City of Sergeant Bluff	331	\$1,076,500	1,076,500	0				(301,641)	\$774,859
Plymouth County	344	\$85,000	3,767	0				(3,767)	(\$0)
City of Des Moines	351	\$2,100,000	1,856,842	0			(413,677)	(982,312)	\$874,530
City of Muscatine	354	\$850,250	850,250	0				(492,881)	\$357,369
Hardin County	356	\$270,000	270,000	0				0	\$270,000
City of Hudson	365	\$288,000	288,000	0				(255,858)	\$32,142
City of Cedar Rapids	379	\$1,075,000	1,075,000	0				(705,053)	\$369,947
City of Humboldt	382	\$453,441	453,441	0			(217,614)	(277,993)	\$175,448
City of Lewis	396	\$280,950	251,705	0				(251,705)	\$0
City of Sioux City	401	\$3,800,000	3,800,000	0				(50,461)	\$3,749,539
City of Fairfield	403	\$480,000	480,000	0				(241,002)	\$238,998
City of Cedar Rapids	404	\$6,600,000	6,600,000	0				(10,794)	\$6,589,206
City of Woodbine	407	\$102,000	102,000	0				(44,885)	\$57,115
City of Fort Madison	416	\$2,485,500	2,485,500	0				(1,505,668)	\$979,832
City of Edgewood	424	\$300,000	300,000	0				(25,895)	\$274,105
City of Coralville	432	\$3,657,090	3,657,090	0				0	\$3,657,090
City of Afton	451	\$54,000	48,103	0				(48,103)	\$0
City of Ottumwa	452	\$800,000	800,000	0				(265,451)	\$534,549
City of Volga	461	\$16,065	16,065	0				(14,512)	\$1,553
Subtotal		\$30,000,000	\$28,285,551	\$0	\$0	\$0	(\$631,291)	(\$8,228,424)	\$20,057,127
I-JOBS Targeted Disaster Relief - \$30,900,000									
City of Belmond	491	\$600,000	452,513	0				0	\$452,513
City of Cedar Rapids	492	\$2,000,000	2,000,000	0				(2,000,000)	\$0
City of Des Moines	494	\$3,000,000	2,568,889	0				(2,568,889)	\$0
City of Des Moines	495	\$700,000	581,811	0				(581,811)	\$0
City of Iowa City	496	\$2,000,000	2,000,000	0				0	\$2,000,000
Linn County	497	\$4,400,000	3,474,425	0				(2,478,179)	\$996,247
City of Waterloo	498	\$5,000,000	5,000,000	0				(228,690)	\$4,771,311
City of Cedar Rapids	500	\$4,400,000	4,400,000	0				(327,818)	\$4,072,182
City of Des Moines	501	\$3,050,000	1,970,887	0				(1,423,480)	\$547,407
City of Des Moines	502	\$1,250,000	1,250,000	0				(1,250,000)	\$0
City of Des Moines	503	\$500,000	500,000	0				0	\$500,000
City of Norwalk	505	\$300,000	300,000	0				0	\$300,000
City of West Union	506	\$1,175,000	1,175,000	0				(40,552)	\$746,042
Subtotal		\$28,375,000	\$25,673,525	\$0	\$0	\$0	(\$40,552)	(\$11,287,825)	\$14,385,701
Jumpstart Housing Assistance - \$44,000,000									
E Central Iowa Council of Governments	09-02	\$3,465,609	18,883	0				0	\$18,883
Iowa Northland Regional COG	09-04	\$4,677,715	47,129	0				0	\$47,129
N Iowa Area Council of Governments	09-05	\$3,805,756	449,424	0				0	\$449,424
Southwest Iowa Planning Council	09-06	\$1,190,394	133,200	0				0	\$133,200
E Central Intergovernmental Association	09-07	\$4,784,645	1,178,073	51,258				0	\$1,229,330
City of Waterloo	09-08	\$1,504,775	284,926	0				0	\$284,926
City of Cedar Rapids	09-10	\$17,447,029	59,112	0				(59,112)	\$0
City of Iowa City	09-11	\$1,509,632	9,521	0				0	\$9,521
Subtotal		\$38,385,555	\$2,180,268	\$51,258	\$0	\$0	\$0	(\$59,112)	\$2,172,414
Iowans Helping Iowans - \$7,500,000									
City of Ames	10-01	\$500,000	500,000	0				(68,041)	\$431,959
City of Des Moines	10-02	\$2,050,000	2,050,000	(150,000)				(638,732)	\$1,261,268
City of Waterloo	10-03	\$500,000	339,272	0				(191,848)	\$147,424
East Central Intergovernmental Association	10-04	\$1,000,000	572,406	0	(1,600)		(4,620)	(179,190)	\$393,216
East Central Iowa Council of Governments	10-05	\$500,000	500,000	(250,000)				0	\$250,000
Iowa Northland Regional Council of Governments	10-06	\$500,000	88,622	0				(27,547)	\$61,076
North Iowa Area Council of Governments	10-07	\$500,000	0	250,000				(110,477)	\$139,523
Southern Iowa Council of Governments	10-08	\$500,000	14,016	150,000				(115,826)	\$48,190
Subtotal		\$6,050,000	\$4,064,317	\$0	(\$1,600)	\$0	(\$4,620)	(\$1,331,661)	\$2,732,656
ARRA - Section 1602 - \$72,772,712									
Sugar Creek Bend	09-0956	\$845,417	153,324	(153,324)				0	\$0
Subtotal		\$845,417	\$153,324	(\$153,324)	\$0	\$0	\$0	\$0	\$0
ARRA - Homeless Prevention and Rapid Re-Housing Grant - \$11,866,889									
Community Action Agency of Siouxland	1	\$292,022	101,131	0		(10,360)		(56,992)	\$44,139
Upper-Des Moines Opportunity, Inc.	2	\$844,279	288,794	0		(18,403)		(143,722)	\$145,072
North Iowa Community Action Organization	3	\$909,815	182,469	53,197		(19,900)		(200,756)	\$34,911
Northeast Iowa Community Action Corp.	4	\$655,249	63,753	0				(63,753)	\$0
Project Concern	5	\$205,147	40,897	0			(41)	(40,157)	\$740
Operation Threshold	6	\$324,178	52,943	43,492				(38,578)	\$57,857
Mid-Iowa Community Action, Inc.	7	\$978,720	257,567	30,000			(22,017)	(282,898)	\$4,669
New Opportunities, Inc.	8	\$406,950	172,246	0		(10,503)		(76,596)	\$95,650
West Central Community Action	10	\$980,479	332,535	0		(7,802)		(327,808)	\$4,728
MATURA Action Corporation	11	\$280,626	98,184	0		(13,100)		(62,074)	\$36,110
Red Rock Community Action Program	12	\$1,220,152	547,404	0				(251,711)	\$295,693
South Central Iowa Community Action	13	\$296,431	220,024	(123,021)				(44,657)	\$52,346
Hawkeye Area Community Action Program	14 & 15	\$2,415,574	906,147	9,441	(72,888)		(26,459)	(567,921)	\$347,667
Community Action of Eastern Iowa	16	\$765,987	289,256	(77)				(289,179)	\$0
Community Action of Southeast Iowa	17	\$757,269	280,181	0			(29,075)	(211,616)	\$68,565
Iowa Institute for Community Alliances		\$237,338	76,767	0		(3,600)		(34,597)	\$42,170

**Iowa Finance Authority
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2011	FY12	FY12 Payments				Commitment Balance
				Additions (Red)	1/13/2012	1/20/2012	1/27/2012	Total	
Iowa Finance Authority		\$296,672	218,887	(13,033)				(112,250)	\$93,605
Subtotal		\$11,866,889	\$4,129,185	(\$0)	\$0	(\$156,599)	(\$77,552)	(\$2,805,263)	\$1,323,921
Local Housing Trust Fund Grant - \$4,308,459									
Southern Iowa COG Housing Trust Fund	10-13	\$243,209	243,209	0				(243,209)	\$0
Dallas County Local Housing Trust Fund, Inc.	10-20	\$146,000	146,000	0				(146,000)	\$0
Subtotal		\$389,209	\$389,209	\$0	\$0	\$0	\$0	(\$389,209)	\$0
Local Housing Trust Fund Grant (FY11) - \$5,361,904									
Southern Iowa COG Housing Trust Fund	11-14	\$243,209	243,209	0				(243,209)	\$0
Sioux City Housing Trust Fund, Inc.	11-20	\$182,807	182,807	0				(182,807)	\$0
Great River Housing, Inc.	11-24	\$282,975	282,975	0				(282,975)	\$0
Council Bluffs Housing Trust Fund, Inc.	11-25	\$159,536	159,536	0				(159,536)	\$0
Dallas County Local Housing Trust Fund, Inc.	11-27	\$92,960	92,960	0				(92,960)	\$0
Housing Fund for Linn County	11-29	\$328,574	131,430	0				(131,430)	\$0
COG Housing, Inc.	11-31	\$248,934	248,934	0				(248,934)	\$0
Subtotal		\$1,538,995	\$1,341,851	\$0	\$0	\$0	\$0	(\$1,341,851)	\$0
Local Housing Trust Fund Grant (FY12) - \$4,858,252									
Floyd County Housing Trust Fund	12-04	\$46,303	0	46,303				0	\$46,303
Northeast Iowa Regional Housing Trust Fund	12-05	\$208,081	0	208,081				0	\$208,081
Fayette County Local Housing Trust Fund	12-06	\$50,880	0	50,880				0	\$50,880
Southern Iowa COG Housing Trust Fund	12-07	\$214,115	0	214,115				0	\$214,115
Scott County Housing Council	12-08	\$352,969	0	352,969			(66,431)	(66,431)	\$286,538
Region 6 Housing Trust Fund	12-09	\$239,863	0	239,863				0	\$239,863
Homeward Housing Trust Fund	12-10	\$261,249	0	261,249				0	\$261,249
Southwest Iowa Housing Trust Fund, Inc.	12-11	\$266,151	0	266,151				0	\$266,151
AHEAD Regional Housing Trust Fund	12-12	\$32,000	0	32,000				0	\$32,000
Lakes Community Land Trust	12-13	\$46,667	0	46,667		(4,667)		(4,667)	\$42,000
City of Dubuque Housing Trust Fund	12-14	\$132,637	0	132,637				0	\$132,637
Northwest Iowa Regional Housing Trust Fund, Inc.	12-15	\$241,707	0	241,707				0	\$241,707
Sioux City Housing Trust Fund, Inc.	12-16	\$157,684	0	157,684				0	\$157,684
Iowa Northland Regional Housing Council LHTF	12-17	\$253,417	0	253,417				0	\$253,417
Clay County Local Housing Trust Fund, Inc.	12-18	\$46,667	0	46,667				0	\$46,667
Housing Trust Fund of Johnson County	12-19	\$225,882	0	225,882				0	\$225,882
NIACOG Housing Trust Fund, Inc.	12-20	\$74,151	0	74,151				0	\$74,151
Polk County Housing Trust Fund	12-21	\$525,640	0	525,640				0	\$525,640
Dallas County Local Housing Trust Fund, Inc.	12-22	\$155,412	0	155,412				0	\$155,412
Great River Housing, Inc.	12-23	\$252,719	0	252,719				0	\$252,719
Council Bluffs Housing Trust Fund, Inc.	12-24	\$137,230	0	137,230				0	\$137,230
Housing Fund for Linn County	12-25	\$306,226	0	306,226				0	\$306,226
East Central Iowa Housing Trust Fund	12-26	\$229,773	0	229,773				0	\$229,773
COG Housing, Inc.	12-27	\$219,671	0	219,671				0	\$219,671
Chariton Valley Regional Housing Trust Fund, Inc.	12-28	\$181,158	0	181,158				0	\$181,158
Subtotal		\$4,858,252	\$0	\$4,858,252	\$0	(\$4,667)	(\$66,431)	(\$71,098)	\$4,787,154
Project Based Grant									
Habitat for Humanity of IA - NW Iowa Corridor	08-46	\$90,000	30,000	0			(30,000)	(30,000)	\$0
Cornerstone Sr Communities/Remsen-Sutherland	09-26	\$90,000	90,000	0				(90,000)	\$0
City of Harlan	10-23	\$50,000	50,000	0				0	\$50,000
Iowa Mortgage Help	10-39	\$200,000	182,550	0				(3,950)	\$178,600
Webster/Humboldt County Habitat for Humanity	11-03	\$49,800	49,800	0				(36,645)	\$13,155
Iowa Home Ownership Education Project	11-04	\$44,000	44,000	0				(8,529)	\$35,471
Habitat for Humanity of North Central Iowa	11-06	\$50,000	50,000	0				0	\$50,000
City of Fort Madison	11-07	\$50,000	50,000	0				(50,000)	\$0
Fort Dodge Housing Agency	11-08	\$50,000	50,000	0				(50,000)	\$0
Habitat for Humanity of Marion County	11-32	\$50,000	50,000	0				(50,000)	\$0
Northeast Iowa Community Action Corporation	11-33	\$50,000	50,000	0				0	\$50,000
City of Keokuk	11-34	\$50,000	50,000	0				0	\$50,000
Hope Haven, Inc.	11-35	\$50,000	50,000	0				(50,000)	\$0
Mosaic	11-36	\$50,000	50,000	0				0	\$50,000
Jasper County Habitat for Humanity	12-01	\$50,000	0	50,000				0	\$50,000
Oakville Volunteer Corporation	12-02	\$15,000	0	15,000				(15,000)	\$0
Iowa Heartland Habitat for Humanity	12-03	\$50,000	0	50,000				0	\$50,000
Habitat for Humanity of Marion County, Inc.	12-30	\$50,000	0	50,000				0	\$50,000
Subtotal		\$1,088,800	\$846,350	\$165,000	\$0	\$0	(\$30,000)	(\$384,124)	\$627,226
Wastewater Treatment Financial Assist. - \$11,000,000									
Carroll County	08-02	\$40,090	4,220	0				(4,220)	\$0
Rock Rapids	08-03	\$111,135	22,388	(22,388)				0	\$0
New Vienna	08-04	\$411,198	113,928	(83,426)				(30,502)	\$0
Remsen	08-14	\$838,110	0	105,814				(105,814)	\$0
Subtotal		\$1,400,533	\$140,536	\$0	\$0	\$0	\$0	(\$140,536)	\$0
Capacity Building - \$155,424									
Iowa State University	28E	\$155,424	7,210	(7,210)				0	(\$0)
Subtotal		\$155,424	\$7,210	(\$7,210)	\$0	\$0	\$0	\$0	(\$0)
Shelter Plus Care - \$106,059									
Mason City Housing Authority		\$100,056	36,676	0				0	\$36,676
Mason City Housing Authority - Admin		\$6,003	0	0				0	\$0
Subtotal		\$106,059	\$36,676	\$0	\$0	\$0	\$0	\$0	\$36,676
Shelter Plus Care - \$107,100									
Mason City Housing Authority		\$107,100	88,598	(82,291)				(6,307)	\$0
Mason City Housing Authority - Admin		-	0	714				(714)	\$0
Subtotal		\$107,100	\$88,598	(\$81,577)	\$0	\$0	\$0	(\$7,021)	\$0
Shelter Assistance Fund									
Iowa Institute for Community Alliances		\$576,731	0	0				0	\$0

**Iowa Finance Authority
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2011	FY12 Additions (Red)	FY12 Payments				Commitment Balance
					1/13/2012	1/29/2012	1/27/2012	Total	
Subtotal		\$576,731	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Shelter Assistance Fund									
Iowa Institute for Community Alliances		\$186,299	0	186,299				(186,299)	\$0
Subtotal		\$186,299	\$0	\$186,299	\$0	\$0	\$0	(\$186,299)	\$0
Emergency Shelter Grant Program - \$1,522,628									
Iowa Institute for Community Alliances		\$1,522,628	13,926	79,630				(43,027)	\$50,529
Subtotal		\$1,522,628	\$13,926	\$79,630	\$0	\$0	\$0	(\$43,027)	\$50,529
Emergency Shelter Grant Program - \$1,526,412									
Iowa Institute for Community Alliances		\$1,526,412	0	1,526,412		(14,140)		(1,087,498)	\$438,914
Subtotal		\$1,526,412	\$0	\$1,526,412	\$0	(\$14,140)	\$0	(\$1,087,498)	\$438,914
Iowa Finance Authority - \$16,000									
The Bridge Transitional Housing		\$16,000	0	16,000				(16,000)	\$0
Subtotal		\$16,000	\$0	\$16,000	\$0	\$0	\$0	(\$16,000)	\$0
HOPWA - \$367,639									
Siouxland Community Health Center	204	\$49,887	1,070	0				0	\$1,070
Cedar Valley Hospice	206	\$21,380	8,057	0				0	\$8,057
AIDS Project Quad Cities	207	\$49,888	4,447	0				0	\$4,447
Mid-Eastern Council on Chemical Abuse	208	\$89,085	98	0				0	\$98
Subtotal		\$210,240	\$13,672	\$0	\$0	\$0	\$0	\$0	\$13,672
HOPWA (FY10) - \$400,137									
The Project of the Quad Cities	243	\$58,220	36,130	0		(5,130)		(36,130)	\$0
Iowa Institute for Community Alliances	244	\$6,300	0	3,511				(3,511)	\$0
Siouxland Community Health Center	245	\$46,576	25,469	0		(6,187)		(25,469)	\$0
AIDS Project of Central Iowa	246	\$159,134	119,883	0		(13,526)		(109,020)	\$10,863
Cedar Valley Hospice	247	\$27,169	22,825	0				(18,461)	\$4,364
Mid-Eastern Council on Chemical Abuse	248	\$97,033	43,615	7,948		(5,050)		(51,563)	\$0
Iowa Finance Authority	249	\$5,704	704	3,813				(4,517)	\$0
Subtotal		\$400,136	\$248,627	\$15,272	\$0	(\$29,893)	\$0	(\$248,672)	\$15,227
HOME									
City of Oskaloosa	05-HM-109	\$306,000	66,728	0				0	\$66,728
City of Marilla	06-HM-113	\$213,994	32,312	0				0	\$32,312
City of Denison	06-HM-115	\$489,986	1,366	0				0	\$1,366
City of Mason City	07-HM-110	\$168,500	33,813	0				0	\$33,813
City of Ottumwa	07-HM-114	\$254,495	84,962	0				(12,854)	\$72,108
City of Wall Lake	07-HM-118	\$160,244	40,600	0				(23,160)	\$17,440
Community Housing Initiatives Inc	07-HM-311	\$371,990	113,790	0				0	\$113,790
Progressive Rural Iowa Development Enterprise	07-HM-315	\$361,700	58,605	0				0	\$58,605
Housing Trust Fund of Johnson County	07-HM-330	\$270,400	41,590	0				(34,456)	\$7,134
Iowa Northland Regional COG	07-HM-606	\$182,800	12,284	0				0	\$12,284
Greene County	08-HM-109	\$365,000	140,947	0				(44,721)	\$96,226
Hardin County	08-HM-111	\$299,840	508	0				0	\$508
City of Maquoketa	08-HM-113	\$366,492	31,590	0				0	\$31,590
City of Postville	08-HM-115	\$273,592	13,873	0				0	\$13,873
Scott County Housing Council for the Lead Alliance	08-HM-305	\$432,000	2,296	0				0	\$2,296
Habitat for Humanity of Iowa	08-HM-310	\$499,980	75,197	0				(50,198)	\$24,999
Christian Action Inc	08-HM-317	\$288,189	0	288,189				(26,324)	\$261,865
Lone Tree/The Housing Fellowship	09-HM-103	\$194,444	188,402	0				(108,277)	\$80,125
City of St. Ansgar	09-HM-106	\$284,320	30,482	0				(22,140)	\$8,342
Tama County	09-HM-107	\$294,876	62,120	0				(26,463)	\$35,657
City of Des Moines (Oakridge Neighborhood) 2	09-HM-198	\$816,000	16,000	0				(16,000)	\$0
Scott County Housing Council for the Lead Alliance	09-HM-305	\$432,000	37,359	0				(22,234)	\$15,125
Upper Explorerland RHA	09-HM-602	\$215,050	73,819	0			(8,535)	(43,212)	\$30,607
Mason City Housing Authority	10-HM-002	\$214,215	152,277	0	(7,340)			(89,822)	\$62,455
Mount Pleasant	10-HM-105	\$164,999	64,999	0				(43,549)	\$21,450
Carroll	10-HM-115	\$362,500	334,673	0	(17,293)			(88,984)	\$245,689
Mason City	10-HM-116	\$312,500	0	312,500		(49,450)		(84,461)	\$228,039
City of Postville	10-HM-118	\$312,800	160,904	181,500				(280,906)	\$61,498
Ottumwa	10-HM-119	\$411,192	0	411,192				(59,238)	\$351,954
Northeast Iowa Community Action Corporation	10-HM-206	\$200,000	1,500	0				0	\$1,500
Upper Des Moines Opportunity Inc	10-HM-212	\$900,000	0	900,000				(41,191)	\$858,809
Scott County Housing Council for the Lead Alliance	10-HM-301	\$480,900	281,930	0				(192,774)	\$89,156
Downtown Partners Inc	10-HM-303	\$855,000	590,939	0				(199,604)	\$391,335
Willoway Heights LLC	10-HM-311	\$540,000	399,185	0				(372,705)	\$26,480
Habitat for Humanity of Iowa	10-HM-314	\$423,000	416,789	0				0	\$416,789
Subtotal		\$12,718,998	\$3,561,839	\$2,093,381	(\$24,633)	(\$49,450)	(\$8,535)	(\$1,883,273)	\$3,771,947
Total		\$364,592,783	\$196,892,978	\$7,397,897	(\$526,233)	(\$611,840)	(\$2,558,986)	(\$85,226,273)	\$119,064,602

RESOLUTION
GEN 12-03

WHEREAS, the Iowa Finance Authority (the "Authority"), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, works to protect and preserve affordable housing for low and moderate income families in the State of Iowa; and

WHEREAS, the Authority is required by state law and good business practices to be audited on an annual basis; and

WHEREAS, accordingly the Authority must contract with an appropriate accounting firm to perform the audit; and

WHEREAS, the Authority has completed a formal Request for Proposal process and staff recommends KMPG LLP as the successful firm.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director of the Authority to enter into a contract for up to six (6) years, not to exceed \$98,000 in the first year, with KPMG, LLP for purposes of performing the annual audit of the Authority. The Board further authorizes the Executive Director to execute and deliver for and on behalf of the Authority any and all documents or other information and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 3. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 7th day of March 2011.

David D. Jamison, Secretary

(Seal)

IOWA FINANCE AUTHORITY[265]

Adopted and Filed

Pursuant to the authority of Iowa Code sections 17A.3(1)“b,” 16.5(1)“r,” and 16.5(1)“m,” the Iowa Finance Authority hereby amends Chapter 39, “HOME Partnership Program,” Iowa Administrative Code.

The purpose of this amendment is to revise paragraph “a” of subrule 39.4(1) to reflect more accurately the manner in which the HOME Partnership Program has been administered in the past.

Notice of Intended Action was published in the Iowa Administrative Bulletin on February 8, 2012, as **ARC 0004C**. The Authority received no public comment on the proposed amendments.

The Iowa Finance Authority adopted these amendments on March 7, 2012.

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 16.5(1)“m” and 42 U.S.C. Sections 12701 et seq.

These amendments will become effective on May 9, 2012.

The following amendment is adopted.

Amend paragraph **39.4(1)“a”** as follows:

a. Assisted units shall be affordable.

(1) and (2) No change.

(3) For home ownership assistance, the initial purchase price for newly constructed units or the after rehabilitation value for rehabilitated units shall not exceed the single family mortgage limits under Section 203(b) of the National Housing Act established in

~~February 2008 for home buyers with purchase agreements fully executed before February 15, 2012. For all home buyers with purchase agreements executed on or after February 15, 2012, the initial purchase price for newly constructed units or the after rehabilitation value for rehabilitated units shall not exceed 95 percent of the HUD after rehabilitation value limits for median sales price by county.~~ Assisted units shall remain affordable through recapture with net proceeds or resale provisions for a specified period: 5 years for projects receiving less than \$15,000 in assistance per unit; 10 years for projects receiving \$15,000 to \$40,000 in assistance per unit; and 15 years for projects receiving over \$40,000 in assistance per unit.

Respectfully submitted,

David D. Jamison, Executive Director
By Authority of the Board of the Iowa Finance Authority

Date

IOWA FINANCE AUTHORITY[265]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 17A.3(1)“b,” 16.5(1)“r” and 16.40, the Iowa Finance Authority proposes to amend Chapter 41, “Shelter Assistance Fund,” Iowa Administrative Code.

The purpose of these amendments is to revise rules relating to the administration of the Shelter Assistance Fund to conform state rules to recent changes in federal regulations..

The Authority does not intend to grant waivers under the provisions of these rules, other than as may be allowed under the Authority’s general rules concerning waivers.

The Authority will receive written comments on the proposed amendments until 4:30 p.m. on April 24, 2012. Comments may be addressed to Amber Lewis, Iowa Finance Authority, 2015 Grand Avenue, Des Moines, Iowa 50312. Comments may also be faxed to Amber Lewis at (515)725-4901 or E-mailed to amber.lewis@iowa.gov. The Authority will hold a public hearing on the proposed amendments to chapters 41 and 42 on April 24, 2012, at 1:30 p.m. in the presentation room of the Authority’s headquarters, located at 2015 Grand Avenue, Des Moines, Iowa.

The Authority anticipates that it may make changes to the proposed amendments based on comments received from the public.

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code sections 16.5 and 16.40.

The following amendments are proposed.

Item 1. Amend the definitions of “‘*ESG program*’ or ‘*ESGP*’” and “‘*Homeless*’ or ‘*homeless individual*’” in rule 41.2 “Definitions” as follows:

“*ESG program*” or “*ESGP*” means the Emergency ~~Shelter~~-Solutions Grants Program created pursuant to Title 42 of the U.S. Code (42 U.S.C. Section 11375) as well as parts of Title 24 of the Code of Federal Regulations (24 CFR Part 576).

“*Homeless*” or “*homeless individual*” shall have the meaning set forth in ~~42 U.S.C. Section 11302~~. 24 CFR Part 91.

Item 2. Delete the definition of “*HUD ESG Desk Guide*” from rule 41.2.

Item 3. Amend Rule 41.6, Application Procedures, as follows:

265—41.6(16) Application procedures. IFA ~~will~~ may issue requests for proposals from eligible applicants as often as the state expects funding from HUD for the ESG program. Requests for proposals ~~will~~ may combine the ESG program with the SAF program. The proposals must be submitted on the forms or on-line system prescribed by IFA and must, at a minimum, include the amount of funds requested, a description of the need for the funds, documentation of other available funding sources, the source of required local match for the ESG program, and the estimated number of persons to be served by the applicant. Maximum and minimum grant awards will be established by IFA for each competition.

Item 4. Amend Rule 41.8, Matching Requirement, as follows:

265—41.8(16) Matching requirement. Subrecipients ~~are not~~ may be required to provide a match for SAF program funds. The rules of each competition will specify what, if any,

match is required.

Item 5. Amend Subrule 41.10 (3), by striking both subparagraphs “a” and “b,” and substituting the following: “To the maximum extent possible, SAF program subrecipients must involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted with SAF funds, in providing services assisted with SAF funds, and in providing services for occupants of facilities assisted with SAF funds.”

Item 6. Amend subparagraph “a” of Subrule 41.12 (2) as follows:

- a. “Records for any assisted activity shall be retained for ~~three~~ five years after the end of the grant period and, if applicable, until audit procedures are completed and accepted by IFA.”

These rules are intended to implement Iowa Code sections 16.5(1) “r” and 16.41.

Respectfully submitted,

David D. Jamison, Executive Director

Date

By Authority of the Board of the Iowa Finance Authority

IOWA FINANCE AUTHORITY[265]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 17A.3(1)“b,” 16.5(1)“r” and 16.40, the Iowa Finance Authority proposes to amend Chapter 42, “Emergency Shelter Grants,” Iowa Administrative Code.

The purpose of these amendments is to revise rules relating to the administration of the Emergency Shelter Grants program to conform state rules to recent changes in federal regulations.

The Authority does not intend to grant waivers under the provisions of these rules, other than as may be allowed under the Authority’s general rules concerning waivers.

The Authority will receive written comments on the proposed amendments until 4:30 p.m. on April 24, 2012. Comments may be addressed to Amber Lewis, Iowa Finance Authority, 2015 Grand Avenue, Des Moines, Iowa 50312. Comments may also be faxed to Amber Lewis at (515)725-4901 or E-mailed to amber.lewis@iowa.gov. The Authority will hold a public hearing on the proposed amendments to chapters 41 and 42 on April 24, 2012, at 1:30 p.m. in the presentation room of the Authority’s headquarters, located at 2015 Grand Avenue, Des Moines, Iowa.

The Authority anticipates that it may make changes to the proposed amendments based on comments received from the public.

After analysis and review of this rule making, no impact on jobs has been found.

These rules are intended to implement Iowa Code section 16.5(1)“m” and 24 CFR parts 91, 576, 582, and 583.

The following amendments are proposed.

Item 1. Amend the title of the chapter to: “Emergency ~~Shelter~~ Solutions Grants Program.”

Item 2. Amend rule 42.1, “Purpose,” as follows:

Purpose. The emergency ~~shelter~~-solutions grants program is designed to improve the quality of services to the homeless and to prevent individuals and families from becoming homeless. The program will make available needed services and help meet the costs of providing essential social services so that homeless individuals and families have access not only to safe and sanitary shelter but also to the supportive services and other types of assistance the individuals and families need to improve their situations.

Item 3. Amend rule 41.2 to revise the definitions of “‘*Emergency shelter*,’” “‘*ESG program*’ or ‘*ESGP*’” and “‘*Homeless*’ or ‘*homeless individual*’” as follows:

“*Emergency shelter*” means a homeless shelter with overnight sleeping accommodations, the primary purpose of which is to provide temporary shelter for homeless persons, according to the definition at 24 CFR Part 576.

“*ESG program*” or “*ESGP*” means the Emergency ~~Shelter~~-Solutions Grants Program created pursuant to Title 42 of the U.S. Code (42 U.S.C. Section 11375) as well as parts of Title 24 of the Code of Federal Regulations (24 CFR Part 576).

“*Homeless*” or “*homeless individual*” shall have the meaning set forth in ~~42 U.S.C. Section 11302.~~ 24 CFR Part 91.

Item 4. Amend rule 41.2 by deleting the phrase “*HUD ESG Desk Guide*” and its

definition.

Item 5. Amend rule 42.3, “eligible applicants,” as follows:

Eligible applicants. City governments, county governments, and private, nonprofit organizations are eligible applicants under the ESG program. City or county governments may apply on behalf of a nonprofit service provider within their jurisdictions when the nonprofit service provider serves homeless and near-homeless clients by providing overnight shelter, meals, clothing, transportation, counseling, child care, legal services, medical services, transitional housing services, and other services eligible under the ESG program as determined by HUD.

Item 6. Amend rule 42.4, “eligible activities,” as follows:

265—42.4(16) Eligible activities. Eligible activities are based on guidelines established by the Stewart B. McKinney Homeless Assistance Act of 1987 and are further defined in 24 CFR Part 576 and the HUD Desk Guide. Activities assisted by this program may include only the following:

~~42.4(1) *Construction.* Rehabilitation, renovation, or conversion of buildings for use in the provision of services for the homeless.~~ Street Outreach. Provision of essential services necessary to reach out to unsheltered homeless people; connect them with emergency shelter, housing, or critical services; and provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility.

~~42.4(2) *Essential services—new or increased level of services.* Provision of essential services if the service is a new service or quantifiable increase in the level of service. ESG program funds may not be used to replace existing funding sources for services;~~

~~however, once a new or increased level of service meets the standards, ESG program funds may be used to continue funding the service in subsequent years. No more than 30 percent of the IFA annual grant amount may be used for this purpose. Emergency Shelter. Provision of essential services to homeless families and individuals in emergency shelters and the operation of emergency shelters.~~

~~**42.4(3)** *Operating costs.* Payment of emergency shelter and transitional housing operating costs including shelter maintenance, operations, rent, repairs, security, fuel, equipment, insurance, utilities, food and furnishings. Staff salaries, including fringe benefits, paid under the operating cost category are limited to 10 percent of the grant amount. Maintenance and security costs are not subject to the 10 percent standard.~~

~~**42.4(4)****42.4(3)** *Prevention of homelessness.* Payment for eligible activities that assist in the prevention of homelessness. Grants may be made for homeless prevention as long as the total amount of such grants does not exceed 30 percent of the total emergency shelter grants program allocation. Examples of eligible activities include, but are not limited to, short term subsidies to help defray rent and utility arrearages for families faced with eviction or termination of utility services; security deposits or first month's rent to enable a family to acquire its own rental unit; programs to provide mediation services for landlord tenant disputes; or programs to provide legal representation to indigent tenants in eviction proceedings. Other possible types of homeless prevention efforts include making needed payments to prevent a home from falling into foreclosure. The provision of housing relocation and stabilization services and short- and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place described in paragraph (1) of the "homeless"~~

definition in 24 CFR Part 576.2.

42.4(4) Rapid Re-Housing. The provision of housing relocation and stabilization services and short- and/or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing.

42.4(5) Administrative costs. A recipient may use a portion of a grant received for administrative purposes as determined by IFA. ~~The maximum allowed for these administrative costs shall be 5 percent of the state ESGP allocation.~~ IFA reserves the authority for distribution of administrative funds.

42.4(6) Homeless Management Information System (HMIS) projects. IFA may award grants for HMIS implementation to support data collection, reporting, and analysis as long as the total amount of such grants does not exceed 10 percent of the total emergency ~~shelter~~ solutions grants program allocation. Eligible costs may include equipment, software, services, personnel, space and operations for HMIS activities. In the case of parties to a supportive housing grant agreement or renewal grant agreement with the United States Department of Housing and Urban Development for HMIS implementation who are in need of the required cash match, IFA may in its discretion award such a grant, subject to the terms of this subrule, without regard to the application and review provisions of rules 265—42.6(16) and 265—42.7(16). Subrecipients of grants in support of other eligible activities listed above may also use a portion of such grants to support data collection and reporting using the HMIS or comparable database.

Item 7. Amend rule 42.6, “applicable procedures,” as follows:

Application procedures. IFA will issue requests for proposals from eligible applicants as

often as the state expects funding from HUD. Requests for proposals ~~will~~ may combine the ESG program with the SAF program. The proposals must be submitted on the forms or on-line system prescribed by IFA and must, at a minimum, include the amount of funds requested, a description of the need for the funds, documentation of other available funding sources, the source of required local match, and the estimated number of persons to be served by the applicant. Maximum and minimum grant awards will be established by IFA for each competition.

Item 8. Amend rule 42.8, “matching requirement,” as follows:

Matching requirement. Each subrecipient of ESG program funds must match the grant amount with an equal amount. In calculating the amount of matching funds, the following may be included: ~~the value of any donated material or building used in the project, the value of any lease on a building used in the project, any salary paid to staff of the subrecipient or to any state subrecipient in carrying out the ESG program, and the time and services contributed by volunteers at the rate of \$5 per hour. For purposes of this rule, IFA will determine the value of any donated material or building, or any lease, using any method reasonably calculated to establish fair market value.~~ cash contributions, expended for allowable costs of the subrecipient for the ESG program, or noncash contributions, meaning the value of any real property, equipment, goods, or services contributed to the subrecipient’s ESG program, provided that if the subrecipient had to pay for them with grant funds, the costs would have been allowable. IFA may allow an exemption of matching funds up to a maximum of \$100,000 of the state allocation received from HUD for the subrecipients least capable of providing such matching amounts. The subrecipient must document its need to participate in this exemption from

matching requirements and must receive prior approval from IFA before the exemption will be effective.

Item 9. Amend Subrule 42.10 (3), “participation by homeless individuals and families,” by striking both subparagraphs “a” and “b,” and substituting the following:

“To the maximum extent possible, the subrecipient must involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted with ESG funds, in providing services assisted with ESG funds, and in providing services for occupants of facilities assisted with ESG funds.”

Item 10. Add new subrules 42.10 (7) and 42.10 (8), as follows:

42.10(7) *Coordination with other homeless services.* Subrecipients must coordinate and integrate, to the maximum extent practicable, grant-funded activities with other homeless service programs in the community.

42.10(8) *Access to mainstream services and resources.* Subrecipients must ensure that all program participants are assisted, to the maximum extent practicable, in obtaining mainstream services and financial assistance, including housing, health, social services, employment, education, and youth programs for which participants are eligible.

Item 11. Amend rule 42.11, “Compliance with applicable federal and state laws and regulations,” as follows:

Compliance with applicable federal and state laws and regulations. All recipients and subrecipients shall comply with the Iowa Code governing activities performed under this program and with all applicable provisions of the Stewart B. McKinney Homeless Assistance Act of 1987 and its implementing regulations, as well as the revising

regulations of the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act), as defined by 24 CFR Part 576. Use of ESG program funds must comply with the following additional requirements.

Item 12. Amend subrule 42.11(1), by adding new subparagraphs 42.11(1) "e" through "i," as follows:

e. The Drug-Free Workplace Act of 1988 and HUD's implementing regulations at 24 CFR Part 24.

f. Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act.

g. Contracting requirements at 24 CFR Part 24 that prohibit the use of federally disbarred, suspended, or ineligible contractors for expenses related to the ESG program.

h. Job training and employment for low-income residents requirements of Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u, and implementing regulations at 24 CFR part 135, except that homeless individuals have priority over other Section 3 residents in accordance with 24 CFR part 576.405(c).

i. The requirements of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, H, J, K, M, and R, which apply to all shelters assisted under the ESG program and all housing occupied by program participants.

Item 13. Amend subparagraph "a" of subrule 42.12(2), "recordkeeping and retention," as follows:

a. Records for any assisted activity shall be retained for ~~three~~ five years after the end

of the grant period and, if applicable, until audit procedures are completed and accepted by IFA.

These rules are intended to implement Iowa Code section 16.5(1)“m,” 42 U.S.C. Sections 11371 through 11378, and 24 CFR parts 91, 576, 582, and 583.

Respectfully submitted,

David D. Jamison, Executive Director

Date

By Authority of the Board of the Iowa Finance Authority



To: Iowa Finance Authority Board of Directors
From: Wes Peterson, Director of Government Affairs and Assistant to the Director
Date: 2/28/12
Re: Legislative Activity

The Iowa Legislature has already passed the first funnel week of the 2012 legislative session. As has been noted earlier to the IFA Board, the Governor has made his budget recommendations; \$2 million to the State Housing Trust Fund, \$658 thousand for the Rent Subsidy Program and \$1.6 million for the Military Home Ownership Assistance Program. The \$1.6 million for the MHOAP should be able to fund one year for the program. This will get the program back to a sustainable full fiscal year funding track. The Construction Registry/Mechanics Lien Bill is still alive from last session and has been primarily moved along by the Secretary of State's Office. They have developed the online system for the filings and have been giving presentations to interested parties across the state. We continue monitor this bill and are likely to support it assuming its current plan forward.

There are several new bills this session that would affect the Iowa Finance Authority if passed. There is one set of bills in which IFA is registered against. SF 2162 and HF 2300, these bills are companion bills and read exactly the same. They contain language that compels the Iowa Finance Authority to treat types of tax exemption per its Qualified Allocation Plan for Low Income Housing Tax Credits similar to tax abatement for scoring purposes. One of these bills, SF 2162, has failed to survive funnel and is dead for this session as the proposed standalone bill. HF 2300 is in Ways and Means committee and is not subject to the funnel rules. IFA is working to inform members of the legislature on this piece of legislation and will continue to work with members of the general assembly as session moves forward.

There are a few pieces of legislation IFA has been working on with other interested parties. There is a pair of Manufactured Housing Fund bills that have been introduced by; and are supported by the Manufactured Housing Association. These bills, HF 2315 and SF 2226, would create a Manufactured Housing Fund in the Iowa Finance Authority for assisting in manufactured housing financing. This bill is very broad in how IFA may administer such a program. There are currently no funding sources for this program and none in the current bills as proposed. We have been in regular contact with the Manufactured Housing Association and will continue to work with them as this bill progresses. These bills have easily made it through their committees with broad bipartisan support. In addition to working with the Manufactured Housing Association, Title Guaranty has been working with the Division of Banking to help streamline a process that has overlap in the two agencies. DOB has agreed to put a helpful piece of legislation in a pair of large companion Bank Bills, SF 2202 and HSB 635 that they have proposed this session. The language that pertains to TG would allow the Division of Banking to share information relating to closing agent licensees with TG on certificates they issue. This prevents duplication in process by avoiding TG Division from having to obtain this information through their own audit of these licensees.

HSB 645 and SSB 3176, State Efficiencies Bill I and State Efficiencies Bill II respectively, both propose the dissolution of the Iowa Jobs Board and handing over its duties to the Iowa Finance Authority. The Iowa Jobs Board has committed the funds, done the work it was tasked to do and is now largely in a monitoring phase. This type of transition has been anticipated in the grant agreements. Some other legislation worth noting is HF 539 pertaining to mineral rights. This bill would stop the rights from being granted in perpetuity and make for a re-application process every 21 years. This would help Title Guaranty Division from having liability on encumbrances that are many decades old and may not be known. HF 2327 extends the deadline to, July 2013, that creditors must inform clients prior to foreclosure of mortgage mediation services. These services are provided by the Iowa Mortgage Help Hotline of which IFA is a partner. There is a bill in the Iowa Senate, SSB 3046, which grants similar property assessment relief measures to HOME program properties as are granted to Section 42 program properties. This bill does not affect IFA directly but would affect HOME projects.

The President's Budget Proposals are out. Here is how they breakdown for IFA programs nationally. The President has proposed cutting Project Based Section 8 from \$9.34 billion for FY12 to \$8.7 billion for FY13 or about 7 percent. The President is proposing flat funding for the HOME Investment Partnerships Program of \$1 billion, the same as FY12. Housing Opportunities for Persons with AIDS or HOPWA is proposed to see a reduction of \$2 million, from \$332 million in FY12 to \$330 million in FY13. Homeless Assistance Grant Funds are proposed to see an increase from \$1.901 billion to \$2.231 billion, an increase of 17 percent. Housing Counseling dollars are proposed to increase from \$45 million to \$55 million. The Federal Housing Trust Fund is proposed to have funding of \$1 billion. This program was created a couple years ago but has never received funding. We estimate Iowa to receive \$16 million in Clean Water capitalization grants which would be down from \$20 million last year. For Drinking Water the reduction would go from \$15.5 million from FY12 to \$14.5 million for FY13 for Iowa. This budget is not expected to be passed as proposed. We will be watching for the changes that will be recommended from the congress and update you as they become available.



State Legislation Update

As of February 28, 2012

For more information see: www.legis.iowa.gov

IFA Related Bills

Bill #	Description	Status
HF 675 (was HF 633, HF 262)	Construction Registry - Mechanics Lien	Passed (H) In Ways & Means (S)
HF 2315 (HSB 593), SF 2226 (SF 2148)	Manufactured Housing Fund	Voted Out of Econ Growth (H) Voted Out of Econ Growth (S)
SF 2202 (was SSB 3125), HSB 635	Bank Bill - TG Information Share	Voted Out of Commerce (S) Voted Out of Commerce (H)
SF 2162 , HF 2300	Low Income Housing Allocations (IFA is Registered Against)	In Econ Growth (S) In Ways & Means (H)

IFA Budget Bills

	State Housing Trust Fund \$3M from RIIF (Governor Recommends - \$2M)	Standing Appropriation
HF 2337, SSB 3174	HCBS – Rent Subsidy program \$658k from General Fund (Governor Recommends - \$658k)	In Appropriations (H) In Appropriations (S)
	MHOAP – Veterans Affairs (Governor Recommends - \$1.6M)	

Other Legislation or Initiatives of Interest

Bill #	Description	Status
HF 539	Mineral Rights – Ancient Claims	Voted Out of Judiciary (H)
HF 2327 (was HSB 613)	Mortgage Mediation Extension	Voted Out of Judiciary (H)
HSB 645	State Efficiencies I – Iowa Jobs Board	Voted Out of State Gov't (H)
SSB 3046	Low Income Property Assessments	In Ways & Means (S)
SSB 3176	State Efficiencies II – Iowa Jobs Board	Voted Out of State Gov't (S)

-Iowa Finance Authority – Federal Legislation Update

For the President's Fiscal Year 2013 Budget Proposals see:

<http://www.whitehouse.gov/omb/budget/Overview>

For more information on any federal legislation see: <http://thomas.loc.gov>



To: Iowa Finance Authority Board
From: Ashley Jared, Emily Collins
Date: February 28, 2012
Re: March 2012 Communications Report

Single-Family

The Iowa Finance Authority will be hosting a Lender/Realtor forum on March 27 at HyVee Hall to discuss how regulatory issues are or may impact our Participating Lenders and partner Realtors. This meeting will take place prior to NCSHA's Legislative Conference so we can potentially incorporate their feedback into conversations with Iowa's congressional delegation.

Summer Homeownership Campaign

We're gearing up to launch an exciting summer homeownership campaign that will promote the value of homeownership to Iowans. Participating Lenders and Realtors will be required to talk to their home buyers about IFA's homeownership programs to be eligible to participate and a chance to win an individual and a lender or Realtor prize valued at \$2,500. More information will be coming soon!

Iowa Mortgage Help

We've been working with the Iowa Attorney General's Office on how to communicate the upcoming mortgage settlement deal with the five largest mortgage servicers due to the mishandling of foreclosures since 2008. Iowans are encouraged to call the Iowa Mortgage Help hotline to see if they may benefit from the settlement or if Iowa Mortgage Help may assist them. The calls to the hotline since the mortgage settlement announcements have tripled. A state-wide marketing campaign will begin soon to ensure Iowans are aware of the additional resources available to them through the mortgage settlement.

Tenant Focus Groups

We will be issuing a Request for Information for research strategies and associated costs to determine the needs of current housing tax credit property tenants. Once we have this information we will present the board with options and corresponding budget for the plan.

Employee Recognition

The Iowa Finance Authority Executive Leadership Team has recently announced several enhancements to internal communication and employee recognition. One of those changes is the development of the Iowa Finance Authority Award of Excellence. This will be a quarterly award to recognize an employee or team for exemplary service. The award winners will be recognized at quarterly all-staff meetings and Board meetings.

Iowa Finance Authority Social Media Summary

Feb 01, 2012 - Feb 28, 2012

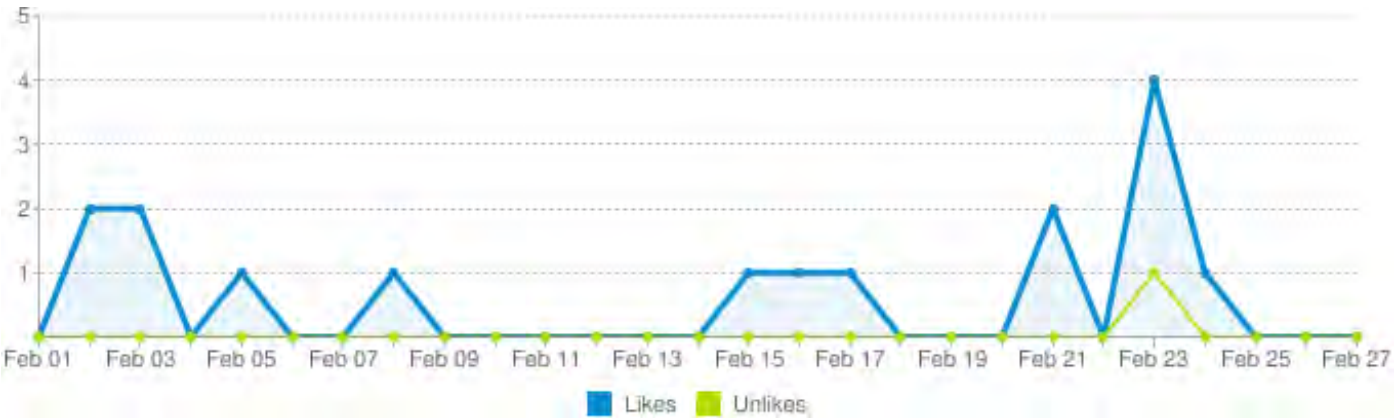
Ow.ly : Summary Stats



Ow.ly : Most Popular Links

1	http://ow.ly/8R9Uq http://apps.facebook.com/contestshq/contests/19... Vote in our @facebook The Meaning of Homeownership photo contest! Vote 1/day for your favo...	20 clicks
2	http://ow.ly/8YdjQ http://apps.facebook.com/contestshq/contests/19... Only a few hours left to vote in the Meaning of Homeownership Contest. Competition is close, so..	9 clicks
3	http://ow.ly/8DuRR http://www.hfhia.org/index.php?option=com_conte... Our partner, Habitat for Humanity of Iowa is searching for an Executive Director: http://ow.ly/8Du...	8 clicks
4	http://ow.ly/9bq8Z http://www.facebook.com/iowafinance Check out pics of the Housing Tax Credit Projects by Jim Bergman @Iowa Finance Authority's F..	8 clicks
5	http://ow.ly/97dYC http://www.facebook.com/pages/Cedarbrooke-Place... Congrats to @HubbellRealty on today's ribbon cutting of Cedarbrooke Place in Norwalk! http://o...	8 clicks
6	http://ow.ly/9fsDx http://archive.constantcontact.com/fs058/110271... Facebook contest winners, hot off the press annual report, new employee & so much more here...	7 clicks
7	http://ow.ly/8xXFf http://www.iowafinanceauthority.gov/en/other_in... Job opportunity just posted! Section 8 Division Compliance Officer: Details: http://ow.ly/8xXFf #d..	7 clicks
8	http://ow.ly/97kXB http://www.strategicamerica.com/OurWork/CaseStu... We're thrilled to have received an ADDY award from @AAFDSM for SA's work on our re-brandin..	6 clicks
9	http://ow.ly/8Yc3A http://www.desmoinesregister.com/article/201202... The Iowa Finance Authority is proud to have partnered with Christ the King on their new senior a..	5 clicks













Facebook Insights : Daily Likes



Facebook Insights : Snapshot

Total Likes ?	Friends of Fans ?	People Talking About This ?	Weekly Total Reach ?
121	46,237	8	148
↑ 11%	↑ 11.2%	↑ 700%	↑ 516.7%

Facebook Insights : Per-Post Metrics

Type	Date	Post	Reach ¹	Engaged Users ²	Talking About This ³	Virality ⁴
	Feb 20, 2012	Waukee Family Housing, Jim Bergman	60	5	1	1.67%
	Feb 20, 2012	Hometown Harbor, Waukee, Jim...	60	9	-	-
	Feb 20, 2012	Hometown Harbor, Bettendorf, Jim...	64	9	-	-
	Feb 17, 2012	A photo from the the Cedarbrooke...	60	10	-	-
	Feb 16, 2012	Congrats on the ribbon cutting!	37	1	-	-
	Feb 14, 2012	News Conference with Attorney...	48	3	-	-
	Feb 13, 2012	Contact Iowa Mortgage Help...	41	2	-	-
	Feb 10, 2012	Congrats to The Meaning of...	47	3	-	-
	Feb 9, 2012	Only a few hours left to vote in...	41	3	-	-
	Feb 8, 2012	HootSuite Photos	63	4	-	-
	Feb 3, 2012	Vote in our @facebook The...	44	3	-	-
	Feb 2, 2012	RiverPoint Lofts, Des Moines -...	56	83	10	17.86%

1. The number of unique people who have seen your post. Click on the number to see more details. Figures are for the first 28 days after a post's publication only. Click on "Reach" to sort your posts.
2. The number of unique people who have clicked on your post. Click on the number to see more details. Figures are for the first 28 days after a post's publication only. Click on "Engaged Users" to sort your posts.
3. The number of unique people who have created a story from your Page post. Stories are created when someone likes, comments on or shares your post; answers a question you posted; or responds to your event. Click on the number to see more details. Figures are for the first 28 days after a post's publication only. Click on "Talking About This" to sort your posts.
4. The percentage of people who have created a story from your Page post out of the total number of unique people who have seen it. Click on "Virality" to sort your posts.



To: IFA Board of Directors
From: Lori Beary, Community Development Director
Date: 2/28/12
Re: Economic Development & Water Quality

Economic Development Loan Program

ED Loan #12-03, Geneseo Communications, Inc. Project

This is an application for \$12,800,000 of Iowa Finance Authority Midwestern Disaster Area Revenue Bonds for the Geneseo Communications, Inc. Project in Bettendorf. The bonds will be used for the construction of data center. Geneseo Communications provides communications services including: traditional phone services, long distance, satellite TV, cellular service, broadband internet service and home and business security and monitoring systems. This project will require an allocation of Midwestern Disaster Area Bonds.

- **Need Board action on Resolution ED 12-03A**

ED Loan #12-04, Green Industrial Properties, LLC Project

This is an application for \$4,500,000 of Iowa Finance Authority Midwestern Disaster Area Revenue Bonds for the Green Industrial Properties Project in Dubuque. The bonds will be used for the construction of a 140,000 square foot facility. Green Industrial Supply is a supplier to John Deere. They do subassembly work and quality control of other Deere suppliers. This project will require an allocation of Midwestern Disaster Area Bonds.

- **Need Board action on Resolution ED 12-04A**

ED Loan #12-05, Marshalltown Senior Residence Project

This is an application for \$6,000,000 of Iowa Finance Authority Multifamily Housing Revenue Bonds for the Marshalltown Senior Residence Project. The bonds will be used for the acquisition and renovation of a historic building in downtown Marshalltown into 28 apartments for seniors. Most of the bonds will be repaid by state and federal historic tax credits, 4% LIHTCs and a Hope VI grant from HUD. This project will require an allocation of Private Activity Bond Cap.

- **Need Board action on Resolution ED 12-05A**

State Revolving Fund

SRF Planning & Design Loans - WQ 12-02

This is a resolution to approve SRF Planning & Design Loans for 49 communities for a total amount of \$12,756,003. P&D loans are 0% interest for up to 3 years to help communities with the costs during the planning and design phase of their wastewater or drinking water project. P&D Loans are either rolled into an SRF construction loan or repaid with other permanent financing is acquired. So far in FY12, we have closed \$2,989,600 in SRF P&D Loans.

SRF Construction Loans - WQ 12-03

This is a resolution to approve SRF Construction Loans for _____7 communities (5 wastewater and 2 drinking water projects) for a total amount of \$12,340,000. These loans are at 3% interest for up to 30 years for wastewater or drinking water infrastructure projects.

So far in FY12, we have closed \$84,643,000 in Clean Water SRF loans and \$46,241,000 in Drinking Water SRF loans for a total of \$130,884,000.

Non Point Source Loan for INHF – Pollard Tract – WQ 12-04

This is a resolution for IFA to purchase a 100% participation of a \$471,000 loan to the Iowa Natural Heritage Foundation. The loan will be originated by State Bank in Spencer for a term not to exceed 5 years for the purchase of 60 acres in the watershed of Lost Island Lake in Palo Alto County.

The tract includes 51.8 acres under row crop production on slopes leading to and nearly adjacent to Lost Island Lake. There are also three subsurface drainage tiles that outlet directly into the lake. The tract also has 5.2 acres enrolled in the Conservation Reserve Program until 2020. After acquisition, conservation activities on the tract will include the restoration of 5 prairie pothole wetlands and 36 acres of native tallgrass prairie.

Funding to repay the loan will come from the US Fish and Wildlife Service Waterfowl Protection Area Program (\$391,000), Iowa Wildlife Habitat Stamp Revenues (\$40,000) and the Iowa Lake Restoration Program (\$40,000).

Non Point Source Loan for INHF – Watermillier Tract – WQ 12-05

This is a resolution for IFA to purchase a 100% participation of a \$161,000 loan to the Iowa Natural Heritage Foundation. The loan will be originated by People's Bank in Indianola for a term not to exceed 5 years for the purchase of 76 acres in the Iowa River watershed in Wright County.

Conservation activities on the Watermillier tract will include restoration of 14 prairie pothole wetlands on 42 acres and 24 acres of native tallgrass prairie. The Watermillier tract is adjacent to the 80 acres Rolling Acres Potholes wildlife area which is part of the Lower Morse Lake Wetland Complex. The Lower Morse Lake Wetland Complex was developed through acquisition of 20 tracts spanning 2,660 acres. Development of the lower Morse Lake Wetland Complex has been a cooperative effort with the US Fish and wildlife Service, the Iowa DNR and the Wright County Conservation Board.

Funding will be provided by the Iowa DNR using a combination of NAWCA grant funds and, Iowa Wildlife Habitat Stamp Revenues.

Non Point Source Loan for INHF – Hardecopf Tract – WQ 12-06

This is a resolution for IFA to purchase a 100% participation of a \$495,000 loan to the Iowa Natural Heritage Foundation. The loan will be originated by People's Bank in Indianola for a term not to exceed 5 years for the purchase of 65 acres in the watershed of Burt Lake in Kossuth County.

Burt Lake is a natural, 118 acre glacial lake straddling the Iowa –Minnesota border, with 47 acres on the Iowa side of the border. Currently, the entire Hardecopf tract is under row crop production. Acquisition of the Hardecopf tract will allow restoration of 1 large wetland on the Carson tract (8.2 acres) and another large wetland that spans both the Carson and Hardecopf tracts (13.8 acres). In all, conservation activities will include restoration of 5 prairie pothole wetlands (25.0 acres) and 44 acres of native tallgrass prairie.

Funding will be provided by the U.S. Fish and Wildlife Service Waterfowl Production Area Program.

RESOLUTION
ED 12-03A

Approving an Application for \$12,800,000
Iowa Finance Authority Midwestern Disaster Area Revenue Bonds
(Geneseo Communications, Inc. Project), Series 2012
For Geneseo Communications, Inc. (the "Borrower")

And Evidencing the Intent to Proceed with the Issuance of
\$12,800,000 Midwestern Disaster Area Revenue Bonds

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa duly organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Authority") is authorized and empowered by Chapter 16 of the Code of Iowa (the "Act") to issue bonds and notes for the purpose of financing or refunding the cost of certain projects defined in the Act that further the development and expansion of family farming, soil conservation, housing, and business in the State; and

WHEREAS, the Authority has received the Economic Development Loan Program Application set forth in Exhibit A attached hereto (the "Application") which Application is incorporated herein as though set out here in full; and

WHEREAS, the Application is a request that the Authority issue its Midwestern Disaster Area Revenue Bonds in an amount not to exceed \$12,800,000 (the "Bonds") and loan the proceeds from the sale of the Bonds to the Borrower listed in the Application for the purposes stated therein (the "Project"); and

WHEREAS, the Authority and the Borrower desire to comply with the requirements of Treasury Regulation 1.150-2 (the "Regulations") with respect to the Project;

NOW, THEREFORE, Be It Resolved by the Board of the Authority, as follows:

Section 1. Approval of Application. The Application is hereby approved, and the Executive Director of the Authority is authorized to notify the Borrower of such approval.

Section 2. Reimbursement from Bond Proceeds. Based upon representations of the Borrower, the Authority declares (a) that the Borrower proposes to undertake the Project, (b) that except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5% of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20% of the issue price of the Bonds, (iii) expenditures subsequent to the date of occurrence of the flooding in Scott County, Iowa, in 2008 resulting in a Presidential disaster declaration, and on or before December 31, 2009, and (iv) other expenditures made not earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Borrower and no expenditures will be made by the Borrower until after the date hereof, and (c) the Borrower reasonably expects to reimburse the expenditures made for costs of the Project with the proceeds of the Bonds. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. Intent to Issue Bonds. It is hereby determined necessary and advisable that the Authority proceed with the issuance and sale of the Bonds as permitted by the Act and that the Authority

hereby declares its intent to issue the Bonds to finance the Project, and that such actions will be taken by the Authority as may be required by the Act to authorize, issue and sell the Bonds.

Section 4. Execution and Approval of Agreements. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bonds. The Authority's Program Counsel and/or General Counsel shall approve all agreements to be entered into in connection with the issuance of the Bonds, and such agreements shall be authorized and approved after due consideration by the Authority prior to their execution by the Authority.

Section 5. Notice and Governor Approval. The Executive Director, and the staff of the Authority are directed, on behalf of the Authority, to publish notice of the proposal to issue the Bonds, to conduct a public hearing on such proposal and, following such hearing, obtain the approval of the Governor as the chief elected executive officer, all as required by Section 147(f) of the Internal Revenue Code of 1986, as amended.

Section 6. Preliminary Official Statement. The Executive Director and the staff of the Authority are authorized to cooperate in the preparation of a preliminary official statement with respect to the Bonds, and that the Executive Director is authorized to execute and deliver such certificates to comply with SEC Rule 15c2-12 in connection with the offer, sale and issuance of the Bonds.

Section 7. Further Actions. The officers, Executive Director and Program Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and purpose of this Resolution, the accomplishment of the Project and the sale and issuance of the Bonds.

Section 8. Not Obligations of the Authority. The Bonds, when issued, shall be limited obligations payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Borrower, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of, or claim against, the State of Iowa or the Authority or a charge against their general credit or general funds.

Section 9. Costs. It is to be understood that the Borrower shall pay all reasonable and necessary costs, including costs of counsel, and expenses of the Authority related to the Bonds and the Project.

Section 10. Repealer. All resolutions, parts of resolutions, and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 7th day of March, 2012.

David D. Jamison, Secretary

(Seal)

EXHIBIT A



David D. Jamison, Executive Director
2015 Grand Avenue
Des Moines, Iowa 50312
(515) 725-4900
(515) 725-4901 (fax)
(800) 432-7230

FOR IFA USE ONLY

Project No. ED 12-03

Application Received 2/14/12

Application Fee Received? ☒

Volume Cap Required? ☐ Yes ☒ No

MDA Bonds? ☒ Yes ☐ No

Amount of Request \$ 12,800,000

Application forms can be obtained from the Authority's website at www.IowaFinanceAuthority.gov

ECONOMIC DEVELOPMENT LOAN PROGRAM APPLICATION

Part A - Borrower Information

1. Project Name: Geneseo Communication, Inc.
2. Contact Person/Title: Scott Rubins
Company: Geneseo Communication, Inc.
Address: 111 East 1st Street
City, State, Zip: Geneseo, IL 61254
Telephone: 309-944-2103 Facsimile: 309-944-4406
E-mail: scott.rubins@geneseo.com
5. Principals: (If a partnership, list partners; if a corporation, list officers/directors and state of incorporation; if a nursing facility, list directors and principal staff.) Attach separate list if necessary.

6. If Borrower is a nonprofit corporation, provide purpose and copy of IRS determination letter or date of application for determination letter: n/a
7. Is the Borrower currently qualified to transact business within the State of Iowa? ☒ Yes ☐ No
8. If project is a Nursing Facility, is state certificate of need required: ☐ Yes ☒ No
If yes, attach copy.

Part B - Project Information

1. This Project qualifies for financing pursuant to the Economic Development Loan Program as land, buildings or improvements suitable for use as one of the following facilities (Check one):

- ☐ a. Voluntary nonprofit hospital, clinic or health care facility as defined in Section 135c.1(6) of the Iowa Code. Specify: _____
- ☐ b. Private college or university ☐ g. Housing facility for elderly or disabled persons
- ☐ c. Manufacturing facility ☐ h. Agricultural processing facility
- ☐ d. Multi family housing ☐ i. Solid Waste facility
- ☐ e. Museum or library facility ☐ j. Other 501c(3) entity (please specify) _____
- ☒ f. A facility under Heartland Disaster Tax Relief Act of 2008 (Midwestern Disaster Area Bonds)

2. Amount of Loan Request: \$ 12,800,000

Amount to be used for refunding: \$ 0

3. Address/Location of Project

Street/City/State Bettendorf, IA

County Scott

4. Are you applying for **Midwestern Disaster Area Bonds**?

☒ Yes ☐ No

If yes, the proceeds of the **Midwest Disaster Area Bonds** will be used for:

- ☐ Multifamily rental project for low and moderate income individuals
- ☒ Acquisition, construction, reconstruction, renovation of nonresidential property
- ☐ Repair or reconstruction of public utility property

5. General Project Description:

Geneseo Communications, Inc. is planning to establish a data center in Bettendorf, Iowa. The project scope includes construction of a 10- megawatt power station; renovation of the 56,000 sq ft, former Grocery Store building to include 40,000 sq ft of raised floor space; and purchase and installation of power redundancy, continuous power and power distribution systems; emergency generators; data cabinets; underfloor cable pathways and overhead cable trays; data and voice patch panels; a fiber optic backbone within the data center and to intermediary distribution frames; security systems; and high-output cooling systems for high-density server applications. Construction is expected to begin early in the second quarter of 2012

Part B - Project Information -cont.

6. Does the Borrower expect to use bond proceeds to reimburse capital expenditures already made?
☒ No
☐ Yes, in the amount of \$ _____ (There are IRS limitations on eligible reimbursable costs.)
7. Parties related to the Project:
- a. Principal User will be: Geneseo Communications, Inc.
 - b. Seller (if any) of the Project:
 - c. Purchaser (if any) or Owner or Lessee of the Project: _____
 - d. Relationship of Project Seller and Purchaser, if any: _____
8. List previous tax-exempt financings of Borrower, if any, and any outstanding balances: n/a
9. Sources and Uses of Project Funds (Sum of Sources and Uses must match):

Sources:	Amount	Uses:	Amount
Midwest Disaster Area Bonds	\$ 12,800,000	Purchase Building	\$2,200,000
Company Equity and Bank Loan	8,196,000	Building Renovation and New Fixed Equipment	13,580,000
_____	_____	New Moveable Equipment	4,960,000
_____	_____	Bond Issuance Expenses	256,000
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total	\$ 20,996,000	Total	\$20,996,000

Part C - Information regarding Sale of the Bonds

1. Type of Bond Sale ☒ Public Sale ☐ Private Placement
2. If the Project includes a refunding of outstanding bonds, please provide the approximate interest rate savings percentage expected to be achieved by the refunding: _____%

Part D - Professionals Participating in the Financing

1. Bond Counsel:

Name: Henry C. Kasson
Firm Name: Kasson & Associates
Address: 1804 Carew Tower, 441 Vine Street
City/State/Zip Code: Cincinnati, OH 45204
Telephone: 513-721-0183 Facsimile: 513-721-0474
E-mail: hkasson@kassonlaw.com

2. Counsel to the Borrower:

Name: Joe Judge
Firm Name: Lane & Waterman LLP
Address: 220 N Main Street, Suite 600
City/State/Zip Code: Davenport, Iowa 52801
Telephone: 563-324-3246 Facsimile: _____
E-mail: JJudge@l-wlaw.com

3. Underwriter or Financial Institution:

Name: Robbins Taylor, III
Firm Name: W.R. Taylor & Company, LLC
Address: 1 Commerce Street, Suite 600
City/State/Zip Code: Montgomery, AL 36104
Telephone: 334-395-6000 Facsimile: 334-395-6200
E-mail: robbins.taylor@wrtayco.com

4. Counsel to the Underwriter:

Name: Henry C. Kasson, Esq.
Firm Name: Kasson & Associates, LLC
Address: 1804 Carew Tower, 441 Vine Street
City/State/Zip Code: Cincinnati, Ohio 45204
Telephone: 513-721-0183 Facsimile: 513-721-0474
E-mail: hkasson@kassonlaw.com

5. Trustee:

Name: tbd
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ Facsimile: _____
E-mail: _____

6. Accountants:

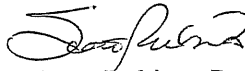
Name: _____
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ Facsimile: _____
E-mail: _____

PART E - Fees and Charges

1. A non-refundable \$100 application fee must accompany this form at the time of submission to the Authority. Submit application to the Authority at the following address: Iowa Finance Authority, Community Development Finance Officer, 2015 Grand Avenue, Des Moines, IA 50312.
2. An Issuer's fee will be due at the time of closing. The fee is 10 basis points for the first \$10 million and declines after that. Please contact Lori Beary at the Authority for more information.
3. Borrower is required to pay the fees and expenses of Dorsey & Whitney, who serve as Issuer's Counsel. Bond documents should be sent to David Claypool or David Grossklaus at Dorsey & Whitney and the Authority's General Counsel at the address set forth above.

Dated this 14 day of February, 2012

Borrower: Geneseo Communications, Inc.



By: Scott Rubins - President & CEO

Title:

RESOLUTION
ED 12-04A

Approving an Application for \$4,500,000
Iowa Finance Authority Midwestern Disaster Area Revenue Bonds
(Green Industrial Properties, LLC Project), Series 2012
For Green Industrial Properties, LLC (the "Borrower")

And Evidencing the Intent to Proceed with the Issuance of
\$4,500,000 Midwestern Disaster Area Revenue Bonds

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa duly organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Authority") is authorized and empowered by Chapter 16 of the Code of Iowa (the "Act") to issue bonds and notes for the purpose of financing or refunding the cost of certain projects defined in the Act that further the development and expansion of family farming, soil conservation, housing, and business in the State; and

WHEREAS, the Authority has received the Economic Development Loan Program Application set forth in Exhibit A attached hereto (the "Application") which Application is incorporated herein as though set out here in full; and

WHEREAS, the Application is a request that the Authority issue its Midwestern Disaster Area Revenue Bonds in an amount not to exceed \$4,500,000 (the "Bonds") and loan the proceeds from the sale of the Bonds to the Borrower listed in the Application for the purposes stated therein (the "Project"); and

WHEREAS, the Authority and the Borrower desire to comply with the requirements of Treasury Regulation 1.150-2 (the "Regulations") with respect to the Project;

NOW, THEREFORE, Be It Resolved by the Board of the Authority, as follows:

Section 1. Approval of Application. The Application is hereby approved, and the Executive Director of the Authority is authorized to notify the Borrower of such approval.

Section 2. Reimbursement from Bond Proceeds. Based upon representations of the Borrower, the Authority declares (a) that the Borrower proposes to undertake the Project, (b) that except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5% of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20% of the issue price of the Bonds, (iii) expenditures subsequent to the date of occurrence of the flooding in Dubuque County, Iowa, in 2008 resulting in a Presidential disaster declaration, and on or before December 31, 2009, and (iv) other expenditures made not earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Borrower and no expenditures will be made by the Borrower until after the date hereof, and (c) the Borrower reasonably expects to reimburse the expenditures made for costs of the Project with the proceeds of the Bonds. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. Intent to Issue Bonds. It is hereby determined necessary and advisable that the Authority proceed with the issuance and sale of the Bonds as permitted by the Act and that the

Authority hereby declares its intent to issue the Bonds to finance the Project, and that such actions will be taken by the Authority as may be required by the Act to authorize, issue and sell the Bonds.

Section 4. Execution and Approval of Agreements. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bonds. The Authority's Program Counsel and/or General Counsel shall approve all agreements to be entered into in connection with the issuance of the Bonds, and such agreements shall be authorized and approved after due consideration by the Authority prior to their execution by the Authority.

Section 5. Notice and Governor Approval. The Executive Director, and the staff of the Authority are directed, on behalf of the Authority, to publish notice of the proposal to issue the Bonds, to conduct a public hearing on such proposal and, following such hearing, obtain the approval of the Governor as the chief elected executive officer, all as required by Section 147(f) of the Internal Revenue Code of 1986, as amended.

Section 6. Preliminary Official Statement. The Executive Director and the staff of the Authority are authorized to cooperate in the preparation of a preliminary official statement with respect to the Bonds, and that the Executive Director is authorized to execute and deliver such certificates to comply with SEC Rule 15c2-12 in connection with the offer, sale and issuance of the Bonds.

Section 7. Further Actions. The officers, Executive Director and Program Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and purpose of this Resolution, the accomplishment of the Project and the sale and issuance of the Bonds.

Section 8. Not Obligations of the Authority. The Bonds, when issued, shall be limited obligations payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Borrower, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of, or claim against, the State of Iowa or the Authority or a charge against their general credit or general funds.

Section 9. Costs. It is to be understood that the Borrower shall pay all reasonable and necessary costs, including costs of counsel, and expenses of the Authority related to the Bonds and the Project.

Section 10. Repealer. All resolutions, parts of resolutions, and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 7th day of March, 2012.

David D. Jamison, Secretary

(Seal)

EXHIBIT A

FOR IFA USE ONLY

Project No. ED12-04

Application Received 2/10/12

Application Fee Received? ☒ Yes ☐ No

Volume Cap Required? ☐ Yes ☒ No

MDA Bonds? ☒ Yes ☐ No

Amount of Request \$ 4,500,000

Application forms can be obtained from the Authority's website at www.IowaFinanceAuthority.gov

ECONOMIC DEVELOPMENT LOAN PROGRAM APPLICATION

Part A - Borrower Information

1. Project Name: Green Industrial Properties, LLC
2. Contact Person/Title: Patrick J. Green, VP
Company: Green Industrial Supply, Inc.
Address: 10467 Hwy 52 North
City, State, Zip: Dubuque, IA 52001
Telephone: 563-557-5184 Facsimile: _____
E-mail: pgreen@grind.com
5. Principals: (If a partnership, list partners; if a corporation, list officers/directors and state of incorporation; if a nursing facility, list directors and principal staff.) Attach separate list if necessary.
Mary Sue Green, President. Patrick J. Green, Vice President. Together they own 100%. Incorporated in the State of IA.
6. If Borrower is a nonprofit corporation, provide purpose and copy of IRS determination letter or date of application for determination letter: n/a
7. Is the Borrower currently qualified to transact business within the State of Iowa? ☒ Yes ☐ No
8. If project is a Nursing Facility, is state certificate of need required: ☐ Yes ☒ No
If yes, attach copy.

IFA- 02/10/12/ M021205

Part B - Project Information

1. This Project qualifies for financing pursuant to the Economic Development Loan Program as land, buildings or improvements suitable for use as one of the following facilities (Check one):

- ☐ a. Voluntary nonprofit hospital, clinic or health care facility as defined in Section 135c.1(6) of the Iowa Code. Specify: _____
- ☐ b. Private college or university ☐ g. Housing facility for elderly or disabled persons
- ☒ c. Manufacturing facility ☐ h. Agricultural processing facility
- ☐ d. Multi family housing ☐ i. Solid Waste facility
- ☐ e. Museum or library facility ☐ j. Other 501c(3) entity (please specify) _____
- ☒ f. A facility under Heartland Disaster Tax Relief Act of 2008 (Midwestern Disaster Area Bonds)

2. Amount of Loan Request: \$ 4,500,000

Amount to be used for refunding: \$ 0.00

3. Address/Location of Project

Street/City/State 1525 Innovation Drive, Dubuque, IA 52002

County Dubuque

4. Are you applying for **Midwestern Disaster Area Bonds**?

☒ Yes ☐ No

If yes, the proceeds of the **Midwest Disaster Area Bonds** will be used for:

- ☐ Multifamily rental project for low and moderate income individuals
- ☒ Acquisition, construction, reconstruction, renovation of nonresidential property
- ☐ Repair or reconstruction of public utility property

5. General Project Description:

Owner has purchased approximately 24.5 acres (21.95 developable) located in the City of Dubuque's Industrial Park on the west side of Dubuque. They have significantly outgrown their current facility in Dubuque and are in the process of constructing a 140,000 sq ft facility comprised of 120,000 sq ft for warehouse/light assembly space, with the other 20,000 sq ft being utilized for office/administration. The total project costs are estimated to be \$9,119,071. The owner has applied and been approved for a SBA 504 loan in the amount of \$3,647,628. The borrower has injected \$1,316,940 of cash into the project already, so the SBA loan may be reduced (see Sources and Uses) after construction is complete. The completed project will be 100% leased to Green Industrial Supply, Inc., which is also owned 100% by Mary Sue and Pat Green.

Part B - Project Information -cont.

6. Does the Borrower expect to use bond proceeds to reimburse capital expenditures already made?
☐ No
☒ Yes, in the amount of \$ 1,750,000, approximately (There are IRS limitations on eligible reimbursable costs.)
7. Parties related to the Project:
- a. Principal User will be: Green Industrial Supply, Inc. A company owned 100% by Pat and Mary Sue Green.
 - b. Seller (if any) of the Project: n/a
 - c. Purchaser (if any) or Owner or Lessee of the Project: n/a
 - d. Relationship of Project Seller and Purchaser, if any: n/a
8. List previous tax-exempt financings of Borrower, if any, and any outstanding balances: n/a
9. Sources and Uses of Project Funds (Sum of Sources and Uses must match):

Sources:	Amount	Uses:	Amount
Cash equity	\$ 1,316,940	Land purchase	\$1,316,940
MDAB Bond	4,500,000	Site prep/parking	1,500,497
SBA 504 (as reduced)	3,302,131	Bldg. construction	4,171,823
		Plumbing/HVAC/elec	1,401,489
		Construction Fee	330,822
		Architect/misc	397,500
Total	\$ 9,119,071	Total	\$9,119,071

Part C - Information regarding Sale of the Bonds

1. Type of Bond Sale ☐ Public Sale ☒ Private Placement
2. If the Project includes a refunding of outstanding bonds, please provide the approximate interest rate savings percentage expected to be achieved by the refunding: n/a%
3. Name of the refunded issue: n/a

Part D - Professionals Participating in the Financing

1. Bond Counsel:

Name: _____
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ Facsimile: _____
E-mail: _____

2. Counsel to the Borrower:

Name: Paul Fitzsimmons
Firm Name: Blair & Fitzsimmons, PC
Address: 850 White Street
City/State/Zip Code: Dubuque, IA 52001
Telephone: 563-588-1970 Facsimile: _____
E-mail: pfitzsimmons@blairfitzsimmons.com

3. Underwriter or Financial Institution:

Name: Wayne Breckon
Firm Name: Dubuque Bank & Trust
Address: 1398 Central Ave
City/State/Zip Code: Dubuque, IA 52001
Telephone: 563-589-1978 Facsimile: 563-589-2184
E-mail: wbreckon@dubuquebank.com

4. Counsel to the Underwriter:

Name: _____
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ Facsimile: _____
E-mail: _____

5. Trustee:

Name: _____
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ Facsimile: _____
E-mail: _____

6. Accountants:

Name: _____
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ Facsimile: _____
E-mail: _____

PART E - Fees and Charges

1. A non-refundable \$100 application fee must accompany this form at the time of submission to the Authority. Submit application to the Authority at the following address: Iowa Finance Authority, Community Development Finance Officer, 2015 Grand Avenue, Des Moines, IA 50312.
2. An Issuer's fee will be due at the time of closing. The fee is 10 basis points for the first \$10 million and declines after that. Please contact Lori Beary at the Authority for more information.
3. Borrower is required to pay the fees and expenses of Dorsey & Whitney, who serve as Issuer's Counsel. Bond documents should be sent to David Claypool or David Grossklaus at Dorsey & Whitney and the Authority's General Counsel at the address set forth above.

Dated this 1st day of February, 2012

Borrower: Green Industrial Properties. LLC

By: Patrick J. Green
Title: V.P.

RESOLUTION
ED 12-05A

Approving an Application for \$6,000,000
Iowa Finance Authority Multifamily Housing Revenue Bonds
(Marshalltown Senior Residences Project), Series 2012A and Series 2012B
For PreservingUS, Inc. (the "Borrower")

And Evidencing the Intent to Proceed with the Issuance of
\$6,000,000 Multifamily Housing Revenue Bonds

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa duly organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Authority") is authorized and empowered by Chapter 16 of the Code of Iowa (the "Act") to issue bonds and notes for the purpose of financing or refunding the cost of certain projects defined in the Act that further the development and expansion of family farming, soil conservation, housing, and business in the State; and

WHEREAS, the Authority has received the Economic Development Loan Program Application set forth in Exhibit A attached hereto (the "Application") which Application is incorporated herein as though set out here in full; and

WHEREAS, the Application is a request that the Authority issue its Multifamily Housing Revenue Bonds in an amount not to exceed \$6,000,000 (the "Bonds") and loan the proceeds from the sale of the Bonds to the Borrower listed in the Application for the purposes stated therein (the "Project"); and

WHEREAS, the Authority and the Borrower desire to comply with the requirements of Treasury Regulation 1.150-2 (the "Regulations") with respect to the Project;

NOW, THEREFORE, Be It Resolved by the Board of the Authority, as follows:

Section 1. Approval of Application. The Application is hereby approved, and the Executive Director of the Authority is authorized to notify the Borrower of such approval.

Section 2. Reimbursement from Bond Proceeds. Based upon representations of the Borrower, the Authority declares (a) that the Borrower proposes to undertake the Project, (b) that except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5% of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20% of the issue price of the Bonds, (iii) other expenditures made not earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Borrower and no expenditures will be made by the Borrower until after the date hereof, and (c) the Borrower reasonably expects to reimburse the expenditures made for costs of the Project with the proceeds of the Bonds. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. Intent to Issue Bonds. It is hereby determined necessary and advisable that the Authority proceed with the issuance and sale of the Bonds as permitted by the Act and that the Authority hereby declares its intent to issue the Bonds to finance the Project, and that such actions will be taken by the Authority as may be required by the Act to authorize, issue and sell the Bonds.

Section 4. Execution and Approval of Agreements. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bonds. The Authority's Program Counsel and/or General Counsel shall approve all agreements to be entered into in connection with the issuance of the Bonds, and such agreements shall be authorized and approved after due consideration by the Authority prior to their execution by the Authority.

Section 5. Notice and Governor Approval. The Executive Director, and the staff of the Authority are directed, on behalf of the Authority, to publish notice of the proposal to issue the Bonds, to conduct a public hearing on such proposal and, following such hearing, obtain the approval of the Governor as the chief elected executive officer, all as required by Section 147(f) of the Internal Revenue Code of 1986, as amended.

Section 6. Preliminary Official Statement. The Executive Director and the staff of the Authority are authorized to cooperate in the preparation of a preliminary official statement with respect to the Bonds, and that the Executive Director is authorized to execute and deliver such certificates to comply with SEC Rule 15c2-12 in connection with the offer, sale and issuance of the Bonds.

Section 7. Further Actions. The officers, Executive Director and Program Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and purpose of this Resolution, the accomplishment of the Project and the sale and issuance of the Bonds.

Section 8. Not Obligations of the Authority. The Bonds, when issued, shall be limited obligations payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Borrower, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of, or claim against, the State of Iowa or the Authority or a charge against their general credit or general funds.

Section 9. Costs. It is to be understood that the Borrower shall pay all reasonable and necessary costs, including costs of counsel, and expenses of the Authority related to the Bonds and the Project.

Section 10. Repealer. All resolutions, parts of resolutions, and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 7th day of March, 2012.

David D. Jamison, Secretary

(Seal)

EXHIBIT A



David D. Jamison, Executive Director
2015 Grand Avenue
Des Moines, Iowa 50312
(515) 725-4900
(515) 725-4901 (fax)
(800) 432-7230

FOR IFA USE ONLY

Project No. ED 12-05
Application Received 2/23/12
Application Fee Received? ☒
Volume Cap Required? ☒ Yes ☐ No
MDA Bonds? ☐ Yes ☒ No
Amount of Request \$ 6,000,000

Application forms can be obtained from the Authority's website at www.IowaFinanceAuthority.gov

ECONOMIC DEVELOPMENT LOAN PROGRAM APPLICATION

Part A - Borrower Information

1. Project Name: Marshalltown Senior Residences, LLC
2. Contact Person/Title: Angela Morehead/ PreservingUS, Inc., Member of General Partner
Company: PreservingUS, Inc.
Address: 3965 West 83rd Street, Suite 273
City, State, Zip: Prairie Village, Kansas 66208
Telephone: 913-671-3365 Facsimile: 913-671-3301
E-mail: amorehead@preservingus.org
5. Principals: (If a partnership, list partners; if a corporation, list officers/directors and state of incorporation; if a nursing facility, list directors and principal staff.) Attach separate list if necessary.
PreservingUS, Inc. (.010%), Heartland Affordable Housing Fund II, LLC (99.98%), 201 East Main MT, LLC (.010%)
6. If Borrower is a nonprofit corporation, provide purpose and copy of IRS determination letter or date of application for determination letter: Not Applicable
7. Is the Borrower currently qualified to transact business within the State of Iowa? ☒ Yes ☐ No
8. If project is a Nursing Facility, is state certificate of need required: ☐ Yes ☒ No
If yes, attach copy.

Part B - Project Information

1. This Project qualifies for financing pursuant to the Economic Development Loan Program as land, buildings or improvements suitable for use as one of the following facilities (Check one):

☐ a. Voluntary nonprofit hospital, clinic or health care facility as defined in Section 135c.1(6) of the Iowa Code. Specify: _____

☐ b. Private college or university ☐ g. Housing facility for elderly or disabled persons

☐ c. Manufacturing facility ☐ h. Agricultural processing facility

☒ d. Multi family housing ☐ i. Solid Waste facility

☐ e. Museum or library facility ☐ j. Other 501c(3) entity (please specify) _____

☐ f. A facility under Heartland Disaster Tax Relief Act of 2008 (Midwestern Disaster Area Bonds)

2. Amount of Loan Request: \$ 6,000,000.00

Amount to be used for refunding: \$ N/A

3. Address/Location of Project

Street/City/State 201 East Main Street, Marshalltown, Iowa

County Marshall County

4. Are you applying for **Midwestern Disaster Area Bonds**?

☐ Yes ☒ No

If yes, the proceeds of the **Midwest Disaster Area Bonds** will be used for:

☐ Multifamily rental project for low and moderate income individuals

☐ Acquisition, construction, reconstruction, renovation of nonresidential property

☐ Repair or reconstruction of public utility property

5. General Project Description:

Marshalltown Senior Residences, formerly known as the Iowa Wholesale Plumbing Company located in the Marshalltown Historic Downtown District in Marshalltown, Iowa. This building was constructed in 1898 and was known as the Letts-Fletcher building. This four-story historic building will be converted into 28, one and two bedroom affordable apartments for residents 55 years and older. This quaint community has a population of approximately 26,000. Presently, the building is a contributing source of the historic downtown area. Application has been made for this historic building, 201 East Main Street building, be listed individually on the National Register of Historic Places. The proposed design for this building is to provide senior residents a safe and affordable living environment. Some amenities included in this project will be a security intercom system located in the building entryway, washer and dryers in each unit, a gardening area located in the rear of the building, free high speed internet access in the community space, a library, meeting room and storage area for each of the residents. Each unit is designed to be adapted, if necessary, to handicapped accessible units. The project has designated 3 units for handicapped and 1 unit for the hearing and visually impaired.

The Marshalltown senior community will enjoy a beautiful, safe and modern apartment-home, located in the heart of the City of Marshalltown's historical heritage.

Part B - Project Information -cont.

6. Does the Borrower expect to use bond proceeds to reimburse capital expenditures already made?
☐ No
☒ Yes, in the amount of \$ 100,000.00 (There are IRS limitations on eligible reimbursable costs.)
7. Parties related to the Project:
- a. Principal User will be: Individuals who qualify under the Section 42 guidelines
 - b. Seller (if any) of the Project: Lew Miller
 - c. Purchaser (if any) or Owner or Lessee of the Project: Marshalltown Senior Residences, LLC
 - d. Relationship of Project Seller and Purchaser, if any: None
8. List previous tax-exempt financings of Borrower, if any, and any outstanding balances: None
9. Sources and Uses of Project Funds (Sum of Sources and Uses must match):

Sources:	Amount	Uses:	Amount
See attached table	\$ _____		\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total	\$ _____	Total	\$ _____

Part C - Information regarding Sale of the Bonds

1. Type of Bond Sale ☐ Public Sale ☐ Private Placement TO BE DETERMINED

**Economic Development Loan Program Application
Marshalltown Senior Residences
Sources and Uses**

SOURCES	AMOUNT	USES	AMOUNT
Estimated Series A Bonds (1st Lien)	\$475,000.00	Hard Cost	\$3,448,679.00
Estimated Series B Bonds (construction only)	\$4,488,679.00	Soft Cost	\$814,232.00
Payback of Series B Bonds (from sources listed below)	(\$4,488,679.00)	Developer Fee	\$700,768.00
Historic Federal Credits	\$686,208.00		
Historic State Credits	\$1,009,129.00		
LIHTC Credits 4%	\$1,640,370.00		
HOPE VI Grant/1772 Grant	\$1,025,000.00		
EZ Benefit	\$44,326.00		
FHLB Bank	\$83,646.00		
TOTAL	\$4,963,679.00	TOTAL	\$4,963,679.00

2. If the Project includes a refunding of outstanding bonds, please provide the approximate interest rate savings percentage expected to be achieved by the refunding: N/A%
3. Name of the refunded issue: N/A

Part D - Professionals Participating in the Financing

1. Bond Counsel:

Name: James H. Smith
Firm Name: Dorsey & Whitney, LLP
Address: 801 Grand, Suite 3900
City/State/Zip Code: Des Moines, IA 50309-2790
Telephone: 515-699-3276 Facsimile: 515-283-1060
E-mail: smith.james@dorsey.com

2. Counsel to the Borrower:

Name: Keith Kehrer
Firm Name: Bryan Cave, LLP
Address: 211 N. Broadway, Suite 3600
City/State/Zip Code: St. Louis, Missouri 63102
Telephone: 314-259-2063 Facsimile: 314-552-8063
E-mail: kjkehrer@bryancave.com

3. Underwriter or Financial Institution:

Name: Robert M. Schultz
Firm Name: D.A. Davidson & Co.
Address: 1600 Broadway, Suite 1100
City/State/Zip Code: Denver, CO 80202
Telephone: 303-764-5740 Facsimile: 303-764-6001
E-mail: rschultz@dadco.com

4. Counsel to the Underwriter:

Name: TBD
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ Facsimile: _____
E-mail: _____

5. Trustee:

Name: TBD
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ Facsimile: _____
E-mail: _____

6. Accountants:

Name: Christine Johnston
Firm Name: Marsh & Company, PA
Address: 6750 West 93rd St, #140
City/State/Zip Code: Overland Park, Kansas 66212
Telephone: 913-451-3445 Facsimile: 913-451-8779
E-mail: chris.johnston@marshcpa.com

PART E - Fees and Charges

1. A non-refundable \$100 application fee must accompany this form at the time of submission to the Authority. Submit application to the Authority at the following address: Iowa Finance Authority, Community Development Finance Officer, 2015 Grand Avenue, Des Moines, IA 50312.
2. An Issuer's fee will be due at the time of closing. The fee is 10 basis points for the first \$10 million and declines after that. Please contact Lori Beary at the Authority for more information.
3. Borrower is required to pay the fees and expenses of Dorsey & Whitney, who serve as Issuer's Counsel. Bond documents should be sent to David Claypool or David Grossklaus at Dorsey & Whitney and the Authority's General Counsel at the address set forth above.

Dated this 22nd day of February, 2012

Borrower: Marshalltown Senior Residences, LLC

By: Angela M. Morehead
Angela M. Morehead, Member of General Partner -
PreservingUS, Inc.

Title:

RESOLUTION
WQ 12-02

WHEREAS, the Iowa Finance Authority (the "Authority"), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa and sections 455B.291 through and including 455B.299 of the Code of Iowa, works with the Iowa Department of Natural Resources to administer the Iowa Water Pollution Control Works Financing Program and the Iowa Drinking Water Facilities Financing Program (collectively, the "SRF Program"); and

WHEREAS, the Authority offers loans under the SRF Program for planning and design expenses associated with clean water and drinking water projects (the "Planning and Design Loans"); and

WHEREAS, the Authority offers the Planning and Design Loans as zero interest loans maturing no later than three years from execution; and

WHEREAS, the communities listed on Exhibit A have applied to the Authority for financial assistance through Planning and Design Loans; and

WHEREAS, the Authority desires to approve Planning and Design Loans to the communities and in the amounts set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes funding Planning and Design Loans to the communities and in the amounts set forth on Exhibit A attached hereto, each with an interest rate of 0%, with a maturity of not to exceed three years, and such other restrictions as may be deemed necessary and appropriate by the Executive Director.

SECTION 3. The Board authorizes the Executive Director to fund said loan from funds held under the SRF Program, all in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 7th day of March, 2012.

David D. Jamison, Secretary

(Seal)

Exhibit A

Borrower	County	Population	Amount	CW/DW	Description
Albion	Marshall	505	\$89,100	DW	Treatment & Source
Allerton	Wayne	501	\$215,000	CW	Wastewater Treatment Improvements
Asbury	Dubuque	4,170	\$200,000	CW	New Collectors to Existing Communities and New Interceptors
Bonaparte	Van Buren	433	\$75,000	DW	Transmission
Carlisle	Warren	3,876	\$120,000	CW	Infiltration/Inflow Correction & Sewer Rehab
Council Bluffs	Pottawattamie	62,230	\$109,800	CW	Digester Complex Equip Upgrade
Council Bluffs	Pottawattamie	62,230	\$344,600	CW	WPCP Disinfection
Cresco	Howard	3,868	\$87,000	CW	Wastewater Treatment Improvements
Cumming	Warren	351	\$60,000	CW	New Trunk Sewer to Existing City
Deloit	Crawford	264	\$100,000	CW	Wastewater Treatment Improvements
DNR - Parks	Various		\$1,066,357	CW	System Improvements
DNR - Parks	Various		\$158,296	DW	System Improvements
Durant	Cedar, Scott, Muscatine	1,832	\$300,000	CW	Wastewater Treatment Improvements
Elgin	Fayette	683	\$210,000	CW	Interceptor/Trunk Line, Collector, BioSwale, Infiltration
Elkhart	Polk	683	\$350,000	CW	Infiltration/Inflow Correction & Correction to Combined Sewer Overflow
Everly	Clay	603	\$92,500	CW	Wastewater Treatment, Infiltration /Inflow Correction & Sewer System Rehab
Fort Dodge	Webster	25,206	\$3,000,000	CW	Infiltration/Inflow Correction, Sewer System Rehab & New Interceptors
Fort Madison	Lee	11,051	\$470,000	CW	New Collectors to Existing Communities and New Interceptors
Hamburg	Fremont	1,187	\$100,000	CW	Wastewater Treatment & Infiltration/Inflow
Kiron	Crawford	279	\$92,000	CW	Wastewater Treatment Improvements
Knoxville	Marion	7,313	\$375,000	CW	Wastewater Treatment Improvements
Laurens	Pocahontas	1,258	\$55,000	DW	Transmission
Le Mars	Plymouth	9,826	\$600,000	DW	Transmission, Source and Storage
Ledyard	Kossuth	130	\$14,700	CW	New System for Unsewered Community (New Collectors to Existing Communities)
Libertyville	Jefferson	315	\$95,000	CW	Wastewater Treatment, Infiltration/Inflow Correction, Sewer System Rehab, Storage
Libertyville	Jefferson	315	\$95,000	DW	Transmission & Storage
Melbourne	Marshall	830	\$190,000	CW	Infiltration/Inflow Correction & Sewer Rehab
Minburn	Dallas	365	\$176,000	DW	Treatment & Source
Monona	Clayton	1,549	\$137,900	CW	Wastewater Treatment Improvements
Nemaha	Sac	85	\$75,000	CW	Wastewater Treatment & Sewer System Rehab
North English	Iowa, Keokuk	1,041	\$140,000	CW	Wastewater Treatment, Infiltration/Inflow Correction & Sewer Treatment Rehab
Norway	Benton	545	\$225,000	CW	Wastewater Treatment Improvements
Ottumwa	Wapello	25,023	\$1,300,000	CW	Correction to Combined Sewer Overflow
Oxford	Johnson	807	\$67,000	CW	Infiltration/Inflow Correction
Oxford Junction	Jones	496	\$70,000	DW	Source
Randall	Hamilton	173	\$50,000	CW	Infiltration/Inflow Correction

Borrower	County	Population	Amount	CW/DW	Description
RUSS - Augusta	Des Moines	92	\$193,000	CW	Wastewater Treatment & New Collectors to Existing Communities
RUSS - Croton	Lee	94	\$100,000	CW	Wastewater Treatment & New Collectors to Existing Communities
RUSS - Moar /Powdertown	Lee	97	\$100,000	CW	Wastewater Treatment & New Collectors to Existing Communities
RUSS - Wever	Lee	150	\$193,000	CW	Wastewater Treatment & New Collectors to Existing Communities
Sibley	Osceola	2,798	\$137,250	DW	Treatment, Transmission & Storage
Stacyville	Mitchell	494	\$24,500	CW	Infiltration/Inflow Correction & Sewer Rehab
Steamboat Rock	Hardin	310	\$141,000	CW	Wastewater Treatment Improvements
Storm Lake	Buena Vista	10,600	\$175,000	CW	Wastewater Treatment & Sewer System Rehab
Wall Lake	Sac	819	\$275,000	CW	Wastewater Treatment, Infiltration/Inflow Correction & Sewer System Rehab
Wall Lake	Sac	819	\$130,000	DW	Transmission & Source
Wapello	Louisa	2,067	\$115,000	CW	Wastewater Treatment Improvements
Wheatland	Clinton	764	\$67,000	CW	Infiltration/Inflow Correction & Correction to Combined Sewer Overflow
WRA	Des Moines Metro		\$200,000	CW	New Intereceptors

\$12,756,003

RESOLUTION
WQ 12-03

WHEREAS, the Iowa Finance Authority (the "Authority"), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa and sections 455B.291 through and including 455B.299 of the Code of Iowa, works with the Iowa Department of Natural Resources (the "Department"), to administer the Iowa Water Pollution Control Works Financing Program and the Iowa Drinking Water Facilities Financing Program (collectively, the "SRF Program"); and

WHEREAS, the Authority offers loans under the SRF Program as a means of financing all or part of the construction of certain drinking water or wastewater treatment facilities ; and

WHEREAS, the construction activities being undertaken meet the requirements of the SRF Program and have been approved by the Department; and

WHEREAS, the Authority offers the SRF loans at three percent interest maturing no later than thirty years from execution; and

WHEREAS, the Authority desires to approve SRF Loans to the communities and in the amounts set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes funding SRF Loans to the communities and in the amounts set forth on Exhibit A attached hereto, each with an interest rate of 3%, with a maturity of not to exceed thirty years, and such other restrictions as may be deemed necessary and appropriate by the Executive Director.

SECTION 3. The Board authorizes the Executive Director to fund said loan from funds held under the SRF Program, all in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 7th day of March, 2012.

David D. Jamison, Secretary

(Seal)

Exhibit A

Borrower	County	Population	Amount	CW/DW	Description
Carson	Pottawattamie	812	\$62,000	CW	Disinfection Project
College Springs	Page	214	\$110,000	DW	Water Main Replacement
Council Bluffs	Pottawattamie	62,230	\$5,160,000	CW	Digester Improvements & Disinfection Project
Oelwein	Fayette	6,415	\$1,047,000	CW	Lift Station & Collection System Improvements
Reinbeck	Grundy	1,664	\$250,000	DW	Water Main Replacement
Washington	Washington	7,266	\$3,580,000	CW	West Side SS Interceptor Project
Wintereset	Madison	5,190	\$2,131,000	CW	WWTF Upgrade & Collection System Rehab
			\$12,340,000		

RESOLUTION
WQ 12-04

WHEREAS, the Iowa Finance Authority (the "Authority"), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, and sections 455B.291 through and including 455B.299 of the Code of Iowa, works with the Iowa Department of Natural Resources (the "DNR") to administer the Iowa Water Pollution Control Works Financing Program and the Iowa Drinking Water Facilities Financing Program (collectively, the "SRF Program"); and

WHEREAS, the Authority offers low-interest loans, pass through loans or linked deposits through local lending institutions under the SRF Program for non-point source projects; and

WHEREAS, prior to applying to the Authority for a non-point source loan under the SRF Program, a borrower must receive approval of its project from DNR; and

WHEREAS, The Iowa Natural Heritage Foundation (the "Borrower") has received the necessary written approval from DNR on the project described in Exhibit A attached hereto (the "Project"), which approval is attached as Exhibit B hereto; and

WHEREAS, in connection with the Project, the Borrower has applied for a loan (the "Loan") from State Bank of Spencer pursuant to the SRF Program; and

WHEREAS, the Authority has reviewed the loan application of the Borrower and desires to purchase a participation in the Loan for the Project, in an amount not to exceed \$471,000 upon the terms and conditions set forth on Exhibit C attached hereto;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board hereby approves up to a 100% participation in the Loan to the Borrower for the Project, in an amount not to exceed \$471,000, upon the terms and conditions detailed in Exhibit C hereto. The Executive Director is authorized to prepare and issue a commitment for the Loan consistent with the terms of this Resolution.

SECTION 2. The Board authorizes the Authority to finalize this transaction with the Borrower, to negotiate and complete the necessary loan documents, and to fund the participation in the Loan as described herein. The Executive Director is authorized to prepare and execute any necessary documents in connection with the participation in the Loan, consistent with the terms of this Resolution.

SECTION 3. The Board authorizes the Executive Director to fund said participation from available funds held under the SRF Program, all in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 7th day of March, 2012.

David D. Jamison, Secretary

(Seal)

EXHIBIT A

Project: *POLLARD TRACT ACQUISITION*

The Pollard tract is located in the Dewey's Pasture PPJV Priority Area. The tract consists of 60 acres within the watershed of Lost Island Lake in Palo Alto County. Currently, the Pollard tract includes 51.8 acres under row crop production on slopes leading toward and nearly adjacent to (within 100 meters) the shoreline of Lost Island Lake. Three subsurface drainage tiles lead from this tract and outlet directly into Lost Island Lake. The tract also includes 5.2 acres enrolled in a 15-year Conservation Reserve Program (CRP) contract through the year 2020. CRP acres include a 2.1 acre restored wetland and a 3.1 acre grassland buffer. After acquisition, conservation activities on this tract will include restoration of 5 prairie pothole wetlands (13.0 acres) and 36 acres of native tallgrass prairie on acres formerly under row crop production.

The Lost Island Lake watershed is one of the best examples of long term cooperative conservation efforts leading toward protection of water quality in a sovereign lake. Like all sovereign lakes, public ownership extended only to the ordinary high water mark along the lakeshore. Subsequent conservation has involved a number of voluntary conservation programs that has resulted in public lands acquired by the Palo Alto County Conservation Board, Iowa Department of Natural Resources, and U.S. Fish and Wildlife Service. A combination of permanent easements acquired by USFWS and NRCS and 15-year CRP contracts administered by FSA also conserve habitats on lands in private ownership.

Lost Island Lake was included on the EPA's impaired waters list in 2004. The lake was impaired for algae and turbidity due to excess phosphorus triggering algal blooms. The source of the phosphorus is from constant re-suspension of bottom sediments, mostly by carp, and from non-point sources within the watershed. Because of the level of conservation work already accomplished within the watershed, an in-lake renovation project was initiated. The lake renovation project is an aggressive effort to reduce internal phosphorous cycling by managing the carp population in Lost Island Lake. The project involves installation of new water control structures and fish barriers on the adjacent marshes which serve as primary spawning areas for carp. Water level drawdowns coinciding with construction will remove carp populations from marsh areas and stimulate growth of emergent aquatic plants. With carp excluded, these wetlands will support much improved communities of aquatic vegetation which will improve the marshes' nutrient filtering capabilities as well as provide better wildlife habitat.

SRF loans have been requested and approved on three previous acquisitions in the Dewey's Pasture PPJV Priority Area, including the Kelly tract in the Trumbull Lake watershed, Rustan tract adjacent to DU Marsh, and Sundall tract adjacent to Barringer Slough. These most recent conservation projects add to a long history of habitat restoration and enhancement projects in the Lost Island Lake watershed. Projects have been funded primarily through migratory bird and water quality conservation programs, and represent a sizable investment made by the U.S. Fish and Wildlife Service, U.S. Department of Agriculture, Iowa Department of Natural Resources, Palo Alto County Conservation Board, North American Wetlands Conservation Act Grants, Iowa Natural Heritage Foundation, and Landowners.

Funding will be provided by the U.S. Fish and Wildlife Service Waterfowl Production Area Program (\$391,000), Iowa Wildlife Habitat Stamp Revenues (\$40,000), and the Iowa Lake Restoration Program (\$40,000).

Lost
Island
Lake

Map 2. Planned Wetland Restorations



Pollard Tract



Pollard Tract Restored Wetlands



Public Lands

CRP Contracts

PROGRAM APPLICATION

Iowa Water Quality Loan Fund General Non-Point Source Program

Project Name	Address	City	State	Zip
Prairie Lakes Wetland Initiative	505 – 5 th Avenue, suite 444	Des Moines	IA	50309

Phone Number	Email	Contact Name
515-288-1846	mackelson@inhf.org	Mark Ackelson

Legal Description

Priority landscapes within a 35 County region in north-central Iowa (see attached map)

Assistance is available to projects where facilities are needed to protect, restore or improve water quality from non-point source pollution. Only applicants that are owners of record of the property or have long-term control of the property where the project is to be implemented are eligible. For additional project eligibility information, please refer to Iowa Administrative Code 567, Chapter 92.13 (455B).

Description of Practice. Attach Maps, Timeline for Project Completion and an Estimated Lifespan for the Practice.

This practice involves using SRF loans to build wetland complexes around the glacial deepwater recreational lakes, shallow wildlife lakes, and large marshes in north-central Iowa. Practices are tied to 100 priority areas identified by DNR and the U.S. Fish & Wildlife Service (USFWS) through a comprehensive planning process initiated in 1986 to identify the historical high density wetland landscapes that currently exhibit the greatest potential for restoration (See attached map). Since 1987, this highly successful program has resulted in the conservation of 54,310 acres of wetland and associated tallgrass prairie utilizing land acquisition and a multitude of federal, state, and local funding sources coordinated through the North American Wetlands Conservation Act (NAWCA) in partnership with the USFWS Waterfowl Production Area (WPA).

Through this proposal we are requesting \$10 million dollars over the next 10 years to help facilitate the continued success of this program. SRF loan funds will be used to acquire tracts of land within identified priority areas as they become available. Due to rising land prices, DNR and FWS do not have the liquidity of capital in a single fiscal year to acquire these tracts in a reasonable amount of time. Iowa DNR works with the Iowa Natural Heritage Foundation (INHF) on a regular basis to provide up-front capital and negotiating expertise to secure these tracts and hold them for a period of months while DNR arranges the financing with partner organizations. This process has proven effective, and it has become essential in order for DNR and other conservation partners to meet annual conservation goals for the NAWCA and WPA programs. SRF loans can greatly facilitate this effort by providing low or no interest capital in order to increase INHF's land holding capacity and reduce holding costs thereby allowing a greater percentage of state and federal funding to be used to accomplish wetland conservation objectives.

Due to unpredictability of acquiring land from willing sellers, it is important that this loan provide access to funds over a ten year period. This flexibility will improve our ability to budget state and federal funds and apply them to tracts with the greatest wetland conservation potential. We anticipate acquiring 8 to 10 tracts per year ranging in size from 40 to 200 acres using SRF loan funds. Most SRF loans used to acquire individual tracts will be repaid within 2 to 3 years. Additional information on the Prairie Lakes Wetland Initiative is provided with this application as Appendix 1.

Description of Water Quality Benefits of the Project

Wetland conservation activities in this proposal include restoration, enhancement, permanent protection, and long-term management of wetlands and associated tallgrass prairie uplands. Eligible tracts must be located in historic high density wetland landscapes that currently exhibit the greatest potential for restoration of ecological functions at a landscape scale. Eligible areas are defined by the 100 Prairie Pothole Joint Venture (PPJV) priority landscapes identified on the attached map.

PPJV Priority Areas include portions of the watershed of 29 of the 40 Significant Publicly Owned Lakes in the Prairie Pothole Region of Iowa; 13 of the 17 lakes on the 2004 list of impaired waters within the Prairie Pothole Region of Iowa; all 8 lakes designated as High Quality waters in the Prairie Pothole Region of Iowa; and 15 of the 16 lakes designated as High Quality Resource Waters in the Prairie Pothole Region of Iowa.

Priority areas include portions of the watersheds of 18 of the 28 river segments on the 2004 list of impaired waters within the Prairie Pothole Region of Iowa; all eleven (11) river segments designated as High Quality Resource Waters that include portions of the Prairie Pothole Region; as well as the headwaters and upper reaches of several of Iowa's large rivers, including the Raccoon River, Des Moines River, Iowa River, Cedar River, Boone River, and Little Sioux River. Water Quality Improvement Plans (TMDLs) have been completed and approved for the Raccoon, Iowa, and Cedar Rivers.

Detailed information, including maps, on the benefits of the Prairie Lakes Wetland Initiative to water quality priorities identified in this application is provided as Appendix 2.

Total Estimated Project Costs

Percentage of Project for Water Quality Protection/Improvement

\$48,000,000

100%

Estimated General Non-Point Source Program Loan


\$10,000,000

PROGRAM APPLICANT CONDITIONS

- Timely completion. The approval of this application is good for six months following DNR signature. If the project is not expected to be complete within six months, the applicant may request an extension from the DNR. If the project is not complete and a request to extend this approval is not made, GNS funds may not be available.
- Records. The project owner shall maintain records that document all costs associated with the project for not less than 3 years from the date of the final loan payment. The project owner shall provide the Department of Natural Resources representative access to the project to verify the loan was used for the purpose intended.
- Rectification and Disputes. Failure of the project owner to implement the approved local water protection project or to comply with the applicable requirements constitutes grounds for the Department of Natural Resources or the lending institution to withhold loan disbursements. The project owner is responsible for ensuring that the identified problem is rectified.
- Repayment & Property Transfer. Loans shall be repaid in accordance with the terms and conditions of the executed loan agreement between the participating lender and project owner. Repayment of the loan must begin within 30 days after the project is completed or by the date specified by the participating lender, whichever is earlier. In the event of property transfer from the project owner that secured the loan to another person or entity during the repayment period specified in the loan agreement, the balance of the loan, principal and any accrued interest shall be due in full. Prepayment of the principal in whole or in part shall be allowed without penalty.
- Project owner is responsible for obtaining all applicable permits. This application approval does NOT constitute a permit.

PROGRAM APPLICANT SIGNATURE

Project Owner Signature. By signing this program application, I agree that all information provided in this application is accurate and I agree to the conditions listed above.

Project Signature Name and Title	Signature	Date
Mark C. Ackelson President Iowa Natural Heritage Foundation		1/11/08

PROJECT RATING CRITERIA

The general non-point source rating criteria consider the use classification of the receiving waters, water quality of the receiving waters, the project benefits and a tiebreaker. Priority ranking for the projects is based on the total points awarded for all the categories. The greater the total number of points, the higher the ranking. All applications will be rated using 567 Iowa Administrative Code 91.11(455B) General nonpoint source projects rating system (see next page for more details).

PROGRAM APPLICATION APPROVAL

DNR Signature. By approving this program application, the Department of Natural Resources confirms that the application accurately estimates the cost of the practice, that the practice described is reasonable and proper, and that the proposed project is eligible under the rules of the program.

DNR Signature Name and Title	Signature	Date
Patricia Cale-Finnegan SRF Coordinator	PCale-Finnegan	3/25/08

EXHIBIT C

LOAN REQUEST

<u>NOTE</u> <u>TYPE</u>	<u>ORIGINAL</u> <u>AMOUNT</u>	<u>RATE</u>	<u>TERM</u>	<u>PURPOSE</u>	<u>SECURITY</u>
Loan	\$471,000	Up to 3%	5 Years	Purchase 60 acres Palo Alto County	REM/ INHF

State Bank has agreed to be the direct lender on this loan with 100% participation with Iowa Finance Authority

Equity

	2010	2009	2008	2007
Total Assets	\$35,525,368	\$30,020,963	\$31,680,112	\$39,587,629
Total Liabilities	\$12,366,592	\$10,871,416	\$14,820,426	\$ 21,391,292
Total Net Assets	\$23,158,776	\$19,149,547	\$16,859,686	\$18,196,337

The Iowa Natural Heritage Foundation (INHF), a non-profit conservation group, has helped protect more than 100,000 acres of Iowa's prairies, wetlands, woodlands, greenways, trails and river corridors. Each year INHF works with members, landowners, volunteers, leaders and conservation professional across Iowa. The INHF staff which, includes 20 full time employees, works closely with at least 100 volunteers on an annual basis. The INFH membership includes over 7,000 individuals, families, business and organizations. These members are INHF's main source of volunteer work, project support, new project ideas, landowner contracts and major planned gifts for the future of Iowa conservation.

From a financial standpoint, INHF is very sound. The foundation's net worth has been at an average of \$17.8.M. Liquidity is extremely strong for INHF with working capital of \$13.7 million at year end 2010.

The foundation's total revenue in 2010 was \$20 million. Based on the above, the foundation showed a positive net asset gain of \$4 million.

Repayment

Funding will be provided by the U.S. Fish and Wildlife Service Waterfowl Production Area Program (\$391,000), Iowa Wildlife Habitat Stamp Revenues (\$40,000), and the Iowa Lake Restoration Program (\$40,000).

RESOLUTION
WQ 12-05

WHEREAS, the Iowa Finance Authority (the "Authority"), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, and sections 455B.291 through and including 455B.299 of the Code of Iowa, works with the Iowa Department of Natural Resources (the "DNR") to administer the Iowa Water Pollution Control Works Financing Program and the Iowa Drinking Water Facilities Financing Program (collectively, the "SRF Program"); and

WHEREAS, the Authority offers low-interest loans, pass through loans or linked deposits through local lending institutions under the SRF Program for non-point source projects; and

WHEREAS, prior to applying to the Authority for a non-point source loan under the SRF Program, a borrower must receive approval of its project from DNR; and

WHEREAS, The Iowa Natural Heritage Foundation (the "Borrower") has received the necessary written approval from DNR on the project described in Exhibit A attached hereto (the "Project"), which approval is attached as Exhibit B hereto; and

WHEREAS, in connection with the Project, the Borrower has applied for a loan (the "Loan") from Peoples Bank in Indianola pursuant to the SRF Program; and

WHEREAS, the Authority has reviewed the loan application of the Borrower and desires to purchase a participation in the Loan for the Project, in an amount not to exceed \$161,000 upon the terms and conditions set forth on Exhibit C attached hereto;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board hereby approves up to a 100% participation in the Loan to the Borrower for the Project, in an amount not to exceed \$161,000, upon the terms and conditions detailed in Exhibit C hereto. The Executive Director is authorized to prepare and issue a commitment for the Loan consistent with the terms of this Resolution.

SECTION 2. The Board authorizes the Authority to finalize this transaction with the Borrower, to negotiate and complete the necessary loan documents, and to fund the participation in the Loan as described herein. The Executive Director is authorized to prepare and execute any necessary documents in connection with the participation in the Loan, consistent with the terms of this Resolution.

SECTION 3. The Board authorizes the Executive Director to fund said participation from available funds held under the SRF Program, all in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 7th day of March, 2012.

David D. Jamison, Secretary

(Seal)

EXHIBIT A









Project: ***WATERMILLER TRACT ACQUISITION***

The Watermill is an addition to the Lower Morse Lake Wetland Complex. The tract consists of 76 acres within the Iowa River watershed in Wright County. This tract consists of 72 acres of hydric soils that historically supported a high density of prairie pothole wetlands interspersed with wet to mesic tallgrass prairie. Most of the tract was converted to agricultural production through sub-surface tile drainage in the early 1900's. This allowed much of the prairie to be converted to row crop agriculture while the deeper wetlands remained to wet to farm.

Conservation activities on the Watermill tract will include restoration of 14 prairie pothole wetlands on 42 acres and 24 acres of native tallgrass prairie. The Watermill tract is adjacent to the 80 acres Rolling Acres Potholes wildlife area which is part of the Lower Morse Lake Wetland Complex. The Lower Morse Lake Wetland Complex was developed through acquisition of 20 tracts spanning 2,660 acres. Development of the lower Morse Lake Wetland Complex has been a cooperative effort with the US Fish and wildlife Service acquiring 1,660 acres, the Iowa DNR acquiring 456 acres and the Wright County Conservation Board acquiring 546 acres. Three private landowners have enrolled portions of their farms in permanent easements adding another 254 acres of restored and permanently protected wetland, grassland and riparian woodland habitats to the Complex.

Funding will be provided by the Iowa DNR using a combination of NAWCA grant funds and, Iowa Wildlife Habitat Stamp Revenues.

**Map 1. Public Lands and Wetlands in the vicinity of the
Watermilller tract (Lower Morse Wetland Complex)**

- | | |
|---|---|
|  |  |
| Watermilller Tract | USFWS Waterfowl Production Area |
|  |  |
| Planned Wetland Restoration | DNR Wildlife Management Area |
|  |  |
| Sovereign Lakes | County Wildlife Areas |
|  |  |
| Existing Wetlands | Private WRP Easements |

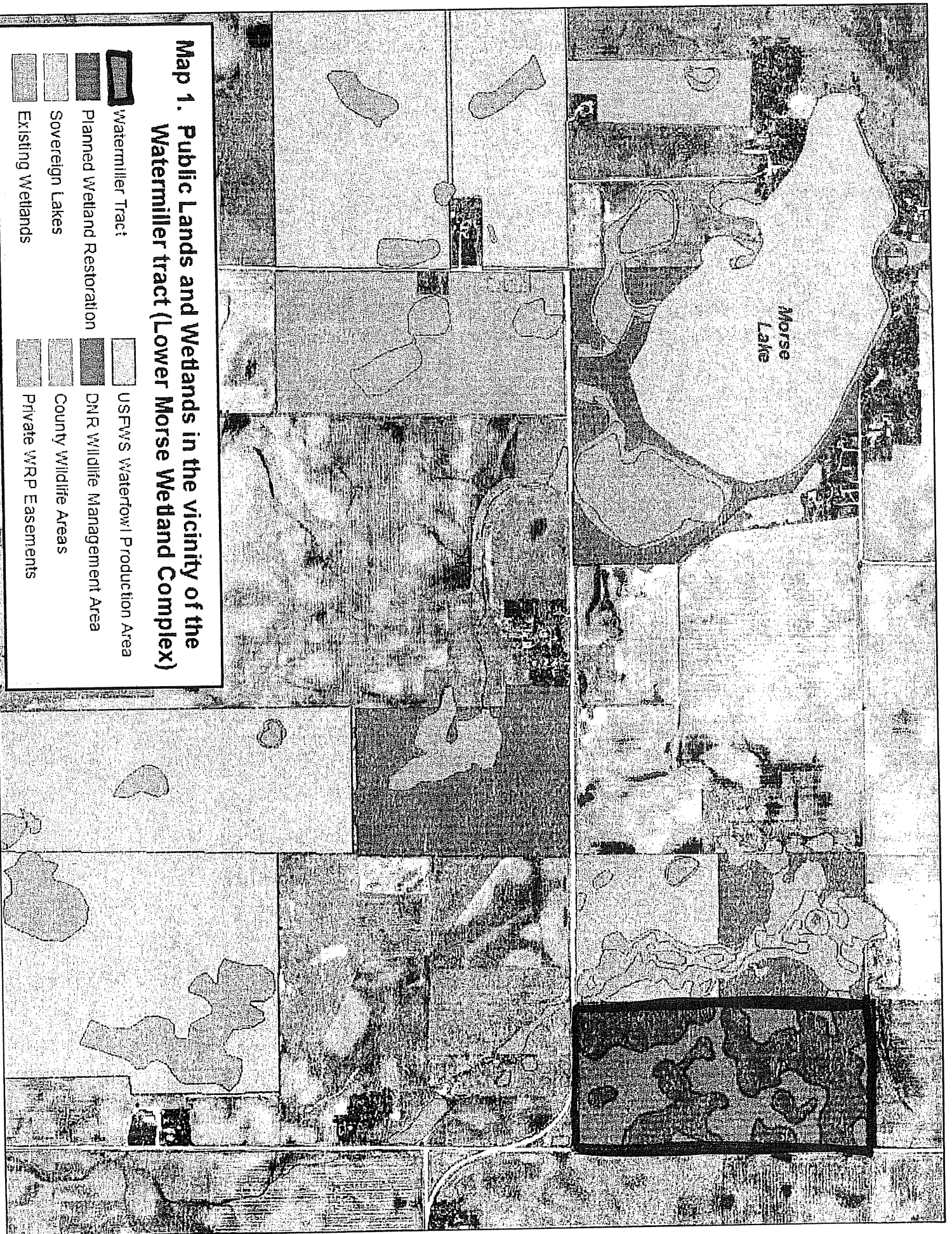


EXHIBIT B

PROGRAM APPLICATION
Iowa Water Quality Loan Fund General Non-Point Source Program

Project Name	Address	City	State	Zip
<i>Prairie Lakes Wetland Initiative</i>	<i>505 – 5th Avenue, suite 444</i>	<i>Des Moines</i>	<i>IA</i>	<i>50309</i>
Phone Number	Email	Contact Name		
<i>515-288-1846</i>	<i>mackelson@inhf.org</i>	<i>Mark Ackelson</i>		

Legal Description

Priority landscapes within a 35 County region in north-central Iowa (see attached map)

Assistance is available to projects where facilities are needed to protect, restore or improve water quality from non-point source pollution. Only applicants that are owners of record of the property or have long-term control of the property where the project is to be implemented are eligible. For additional project eligibility information, please refer to Iowa Administrative Code 567, Chapter 92.13 (455B).

Description of Practice. Attach Maps, Timeline for Project Completion and an Estimated Lifespan for the Practice.

This practice involves using SRF loans to build wetland complexes around the glacial deepwater recreational lakes, shallow wildlife lakes, and large marshes in north-central Iowa. Practices are tied to 100 priority areas identified by DNR and the U.S. Fish & Wildlife Service (USFWS) through a comprehensive planning process initiated in 1986 to identify the historical high density wetland landscapes that currently exhibit the greatest potential for restoration (See attached map). Since 1987, this highly successful program has resulted in the conservation of 54,310 acres of wetland and associated tallgrass prairie utilizing land acquisition and a multitude of federal, state, and local funding sources coordinated through the North American Wetlands Conservation Act (NAWCA) in partnership with the USFWS Waterfowl Production Area (WPA).

Through this proposal we are requesting \$10 million dollars over the next 10 years to help facilitate the continued success of this program. SRF loan funds will be used to acquire tracts of land within identified priority areas as they become available. Due to rising land prices, DNR and FWS do not have the liquidity of capital in a single fiscal year to acquire these tracts in a reasonable amount of time. Iowa DNR works with the Iowa Natural Heritage Foundation (INHF) on a regular basis to provide up-front capital and negotiating expertise to secure these tracts and hold them for a period of months while DNR arranges the financing with partner organizations. This process has proven effective, and it has become essential in order for DNR and other conservation partners to meet annual conservation goals for the NAWCA and WPA programs. SRF loans can greatly facilitate this effort by providing low or no interest capital in order to increase INHF's land holding capacity and reduce holding costs thereby allowing a greater percentage of state and federal funding to be used to accomplish wetland conservation objectives.

Due to unpredictability of acquiring land from willing sellers, it is important that this loan provide access to funds over a ten year period. This flexibility will improve our ability to budget state and federal funds and apply them to tracts with the greatest wetland conservation potential. We anticipate acquiring 8 to 10 tracts per year ranging in size from 40 to 200 acres using SRF loan funds. Most SRF loans used to acquire individual tracts will be repaid within 2 to 3 years. Additional information on the Prairie Lakes Wetland Initiative is provided with this application as Appendix 1.

Description of Water Quality Benefits of the Project

Wetland conservation activities in this proposal include restoration, enhancement, permanent protection, and long-term management of wetlands and associated tallgrass prairie uplands. Eligible tracts must be located in historic high density wetland landscapes that currently exhibit the greatest potential for restoration of ecological functions at a landscape scale. Eligible areas are defined by the 100 Prairie Pothole Joint Venture (PPJV) priority landscapes identified on the attached map.

PPJV Priority Areas include portions of the watershed of 29 of the 40 Significant Publicly Owned Lakes in the Prairie Pothole Region of Iowa; 13 of the 17 lakes on the 2004 list of impaired waters within the Prairie Pothole Region of Iowa; all 8 lakes designated as High Quality waters in the Prairie Pothole Region of Iowa; and 15 of the 16 lakes designated as High Quality Resource Waters in the Prairie Pothole Region of Iowa.

Priority areas include portions of the watersheds of 18 of the 28 river segments on the 2004 list of impaired waters within the Prairie Pothole Region of Iowa; all eleven (11) river segments designated as High Quality Resource Waters that include portions of the Prairie Pothole Region; as well as the headwaters and upper reaches of several of Iowa's large rivers, including the Raccoon River, Des Moines River, Iowa River, Cedar River, Boone River, and Little Sioux River. Water Quality Improvement Plans (TMDLs) have been completed and approved for the Raccoon, Iowa, and Cedar Rivers.

Detailed information, including maps, on the benefits of the Prairie Lakes Wetland Initiative to water quality priorities identified in this application is provided as Appendix 2.

Total Estimated Project Costs

Percentage of Project for Water Quality Protection/Improvement

\$48,000,000

100%

Estimated General Non-Point Source Program Loan

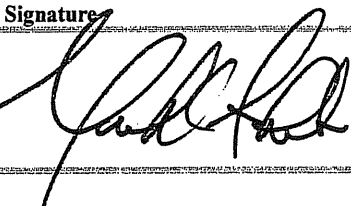
\$10,000,000

PROGRAM APPLICANT CONDITIONS

- Timely completion. The approval of this application is good for six months following DNR signature. If the project is not expected to be complete within six months, the applicant may request an extension from the DNR. If the project is not complete and a request to extend this approval is not made, GNS funds may not be available.
- Records. The project owner shall maintain records that document all costs associated with the project for not less than 3 years from the date of the final loan payment. The project owner shall provide the Department of Natural Resources representative access to the project to verify the loan was used for the purpose intended.
- Rectification and Disputes. Failure of the project owner to implement the approved local water protection project or to comply with the applicable requirements constitutes grounds for the Department of Natural Resources or the lending institution to withhold loan disbursements. The project owner is responsible for ensuring that the identified problem is rectified.
- Repayment & Property Transfer. Loans shall be repaid in accordance with the terms and conditions of the executed loan agreement between the participating lender and project owner. Repayment of the loan must begin within 30 days after the project is completed or by the date specified by the participating lender, whichever is earlier. In the event of property transfer from the project owner that secured the loan to another person or entity during the repayment period specified in the loan agreement, the balance of the loan, principal and any accrued interest shall be due in full. Prepayment of the principal in whole or in part shall be allowed without penalty.
- Project owner is responsible for obtaining all applicable permits. This application approval does NOT constitute a permit.

PROGRAM APPLICANT SIGNATURE

Project Owner Signature. By signing this program application, I agree that all information provided in this application is accurate and I agree to the conditions listed above.

Project Signature Name and Title	Signature	Date
Mark C. Ackelson President Iowa Natural Heritage Foundation		1/11/08

PROJECT RATING CRITERIA

The general non-point source rating criteria consider the use classification of the receiving waters, water quality of the receiving waters, the project benefits and a tiebreaker. Priority ranking for the projects is based on the total points awarded for all the categories. The greater the total number of points, the higher the ranking. All applications will be rated using 567 Iowa Administrative Code 91.11(455B) General nonpoint source projects rating system (see next page for more details).

PROGRAM APPLICATION APPROVAL

DNR Signature. By approving this program application, the Department of Natural Resources confirms that the application accurately estimates the cost of the practice, that the practice described is reasonable and proper, and that the proposed project is eligible under the rules of the program.

DNR Signature Name and Title	Signature	Date
Patricia Cale-Finnegan SRF Coordinator	PCale-Finnegan	3/25/08

EXHIBIT C

LOAN REQUEST

<u>NOTE</u> <u>TYPE</u>	<u>ORIGINAL</u> <u>AMOUNT</u>	<u>RATE</u>	<u>TERM</u>	<u>PURPOSE</u>	<u>SECURITY</u>
Loan	\$161,000	Up to 3%	5 Years	Purchase 76 acres Wright County	REM/ INHF

People's Bank has agreed to be the direct lender on this loan with 100% participation with Iowa Finance Authority

Equity

	2010	2009	2008	2007
Total Assets	\$35,525,368	\$30,020,963	\$31,680,112	\$39,587,629
Total Liabilities	\$12,366,592	\$10,871,416	\$14,820,426	\$ 21,391,292
Total Net Assets	\$23,158,776	\$19,149,547	\$16,859,686	\$18,196,337

The Iowa Natural Heritage Foundation (INHF), a non-profit conservation group, has helped protect more than 100,000 acres of Iowa's prairies, wetlands, woodlands, greenways, trails and river corridors. Each year INHF works with members, landowners, volunteers, leaders and conservation professional across Iowa. The INHF staff which, includes 20 full time employees, works closely with at least 100 volunteers on an annual basis. The INFH membership includes over 7,000 individuals, families, business and organizations. These members are INHF's main source of volunteer work, project support, new project ideas, landowner contracts and major planned gifts for the future of Iowa conservation.

From a financial standpoint, INHF is very sound. The foundation's net worth has been at an average of \$17.8.M. Liquidity is extremely strong for INHF with working capital of \$13.7 million at year end 2010.

The foundation's total revenue in 2010 was \$20 million. Based on the above, the foundation showed a positive net asset gain of \$4 million.

Repayment

Funding will be provided by the Iowa DNR using a combination of NAWCA grant funds and, Iowa Wildlife Habitat Stamp Revenues.

**RESOLUTION
WQ 12-06**

WHEREAS, the Iowa Finance Authority (the "Authority"), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, and sections 455B.291 through and including 455B.299 of the Code of Iowa, works with the Iowa Department of Natural Resources (the "DNR") to administer the Iowa Water Pollution Control Works Financing Program and the Iowa Drinking Water Facilities Financing Program (collectively, the "SRF Program"); and

WHEREAS, the Authority offers low-interest loans, pass through loans or linked deposits through local lending institutions under the SRF Program for non-point source projects; and

WHEREAS, prior to applying to the Authority for a non-point source loan under the SRF Program, a borrower must receive approval of its project from DNR; and

WHEREAS, The Iowa Natural Heritage Foundation (the "Borrower") has received the necessary written approval from DNR on the project described in Exhibit A attached hereto (the "Project"), which approval is attached as Exhibit B hereto; and

WHEREAS, in connection with the Project, the Borrower has applied for a loan (the "Loan") from Peoples Bank in Indianola pursuant to the SRF Program; and

WHEREAS, the Authority has reviewed the loan application of the Borrower and desires to purchase a participation in the Loan for the Project, in an amount not to exceed \$495,000 upon the terms and conditions set forth on Exhibit C attached hereto;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board hereby approves up to a 100% participation in the Loan to the Borrower for the Project, in an amount not to exceed \$495,000, upon the terms and conditions detailed in Exhibit C hereto. The Executive Director is authorized to prepare and issue a commitment for the Loan consistent with the terms of this Resolution.

SECTION 2. The Board authorizes the Authority to finalize this transaction with the Borrower, to negotiate and complete the necessary loan documents, and to fund the participation in the Loan as described herein. The Executive Director is authorized to prepare and execute any necessary documents in connection with the participation in the Loan, consistent with the terms of this Resolution.

SECTION 3. The Board authorizes the Executive Director to fund said participation from available funds held under the SRF Program, all in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 7th day of March, 2012.

David D. Jamison, Secretary

(Seal)

EXHIBIT A

Project: *HARDECOPF TRACT ACQUISITION*

The Hardecopf tract is an addition to the Iowa Lake Marsh Wildlife Management Area (WMA) located in the Goose Lake PPJV Priority Area. The tract consists of 65 acres within the watershed of Burt Lake in Kossuth County. Burt Lake is a natural, 118 acre glacial lake straddling the Iowa –Minnesota border, with 47 acres on the Iowa side of the border. Currently, the entire Hardecopf tract is under row crop production.

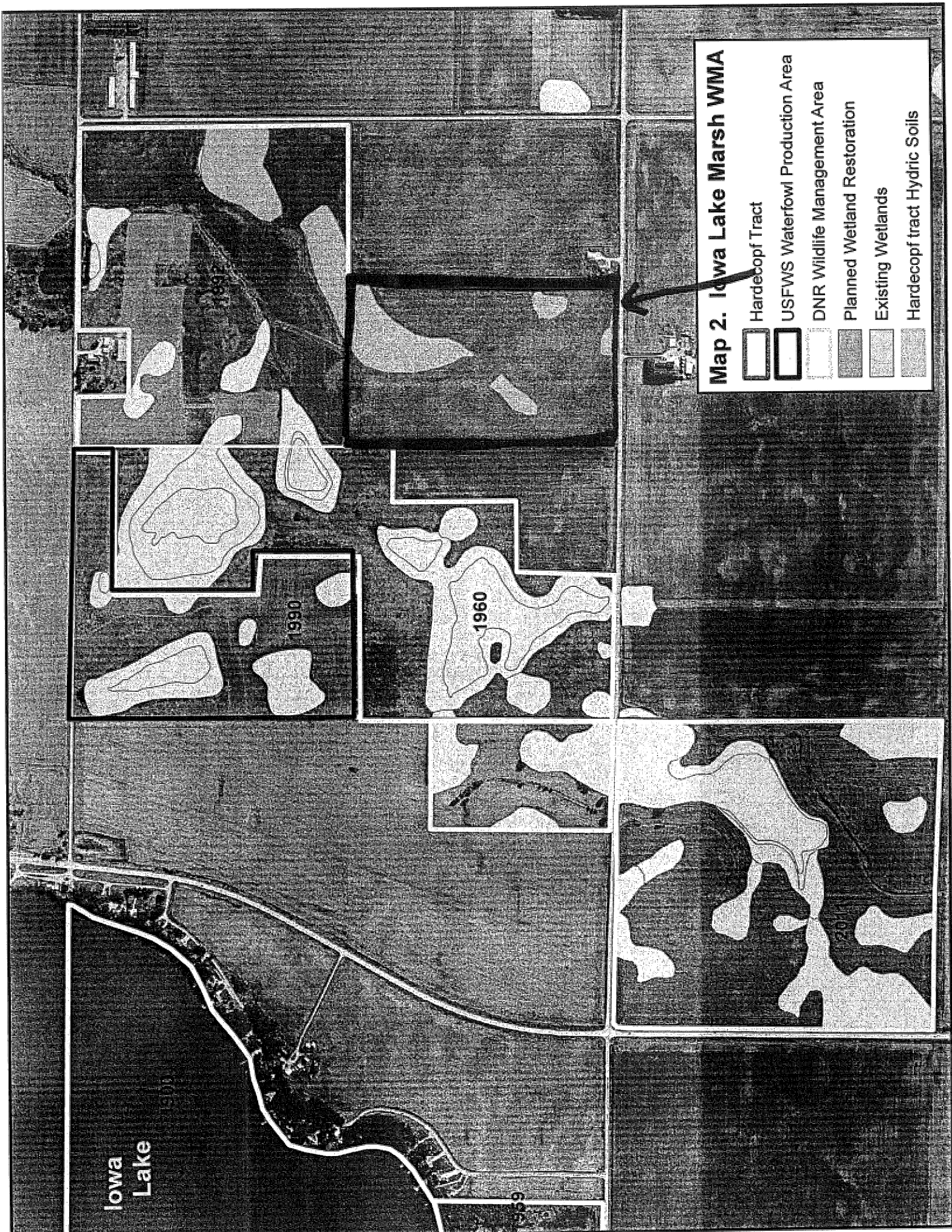
The original 125-acre Iowa Lake Marsh tract was purchased in 1960. The U.S. Fish and Wildlife Service purchased an additional 71 acres in 1990. DNR purchased the 124 acre Carson tract in 1992 using REAP funds. DNR just recently added the 177 acre Heine tract in December 2011 using a combination of NAWCA grant funds and Iowa Wildlife Habitat Stamp revenues. The addition of the Hardecopf tract brings the area to 562 acres.

Acquisition of the Hardecopf tract will allow restoration of 1 large wetland on the Carson tract (8.2 acres) and another large wetland that spans both the Carson and Hardecopf tracts (13.8 acres). In all, conservation activities will include restoration of 5 prairie pothole wetlands (25.0 acres) and 44 acres of native tallgrass prairie.

The Goose Lake PPJV Priority area represents a 35 square mile area in northern Emmet and Kossuth counties which includes 1,828 acres of public land. In addition to Burt Lake WMA, the area includes Goose Lake WMA, Iowa Lake WMA, Iowa Lake Marsh WMA, State Line Marsh WMA, and Eagle Lake Wildlife Area.

Funding will be provided by the U.S. Fish and Wildlife Service Waterfowl Production Area Program.

Iowa
Lake



Map 2. Iowa Lake Marsh WMA

- Hardecopf Tract
- USFWS Waterfowl Production Area
- DNR Wildlife Management Area
- Planned Wetland Restoration
- Existing Wetlands
- Hardecopf tract Hydric Soils

EXHIBIT B

PROGRAM APPLICATION Iowa Water Quality Loan Fund General Non-Point Source Program

Project Name	Address	City	State	Zip
Prairie Lakes Wetland Initiative	505 – 5 th Avenue, suite 444	Des Moines	IA	50309
Phone Number	Email	Contact Name		
515-288-1846	mackelson@inhf.org	Mark Ackelson		

Legal Description

Priority landscapes within a 35 County region in north-central Iowa (see attached map)

Assistance is available to projects where facilities are needed to protect, restore or improve water quality from non-point source pollution. Only applicants that are owners of record of the property or have long-term control of the property where the project is to be implemented are eligible. For additional project eligibility information, please refer to Iowa Administrative Code 567, Chapter 92.13 (455B).

Description of Practice. Attach Maps, Timeline for Project Completion and an Estimated Lifespan for the Practice.

This practice involves using SRF loans to build wetland complexes around the glacial deepwater recreational lakes, shallow wildlife lakes, and large marshes in north-central Iowa. Practices are tied to 100 priority areas identified by DNR and the U.S. Fish & Wildlife Service (USFWS) through a comprehensive planning process initiated in 1986 to identify the historical high density wetland landscapes that currently exhibit the greatest potential for restoration (See attached map). Since 1987, this highly successful program has resulted in the conservation of 54,310 acres of wetland and associated tallgrass prairie utilizing land acquisition and a multitude of federal, state, and local funding sources coordinated through the North American Wetlands Conservation Act (NAWCA) in partnership with the USFWS Waterfowl Production Area (WPA).

Through this proposal we are requesting \$10 million dollars over the next 10 years to help facilitate the continued success of this program. SRF loan funds will be used to acquire tracts of land within identified priority areas as they become available. Due to rising land prices, DNR and FWS do not have the liquidity of capital in a single fiscal year to acquire these tracts in a reasonable amount of time. Iowa DNR works with the Iowa Natural Heritage Foundation (INHF) on a regular basis to provide up-front capital and negotiating expertise to secure these tracts and hold them for a period of months while DNR arranges the financing with partner organizations. This process has proven effective, and it has become essential in order for DNR and other conservation partners to meet annual conservation goals for the NAWCA and WPA programs. SRF loans can greatly facilitate this effort by providing low or no interest capital in order to increase INHF's land holding capacity and reduce holding costs thereby allowing a greater percentage of state and federal funding to be used to accomplish wetland conservation objectives.

Due to unpredictability of acquiring land from willing sellers, it is important that this loan provide access to funds over a ten year period. This flexibility will improve our ability to budget state and federal funds and apply them to tracts with the greatest wetland conservation potential. We anticipate acquiring 8 to 10 tracts per year ranging in size from 40 to 200 acres using SRF loan funds. Most SRF loans used to acquire individual tracts will be repaid within 2 to 3 years. Additional information on the Prairie Lakes Wetland Initiative is provided with this application as Appendix 1.

Description of Water Quality Benefits of the Project

Wetland conservation activities in this proposal include restoration, enhancement, permanent protection, and long-term management of wetlands and associated tallgrass prairie uplands. Eligible tracts must be located in historic high density wetland landscapes that currently exhibit the greatest potential for restoration of ecological functions at a landscape scale. Eligible areas are defined by the 100 Prairie Pothole Joint Venture (PPJV) priority landscapes identified on the attached map.

PPJV Priority Areas include portions of the watershed of 29 of the 40 Significant Publicly Owned Lakes in the Prairie Pothole Region of Iowa; 13 of the 17 lakes on the 2004 list of impaired waters within the Prairie Pothole Region of Iowa; all 8 lakes designated as High Quality waters in the Prairie Pothole Region of Iowa; and 15 of the 16 lakes designated as High Quality Resource Waters in the Prairie Pothole Region of Iowa.

Priority areas include portions of the watersheds of 18 of the 28 river segments on the 2004 list of impaired waters within the Prairie Pothole Region of Iowa; all eleven (11) river segments designated as High Quality Resource Waters that include portions of the Prairie Pothole Region; as well as the headwaters and upper reaches of several of Iowa's large rivers, including the Raccoon River, Des Moines River, Iowa River, Cedar River, Boone River, and Little Sioux River. Water Quality Improvement Plans (TMDLs) have been completed and approved for the Raccoon, Iowa, and Cedar Rivers.

Detailed information, including maps, on the benefits of the Prairie Lakes Wetland Initiative to water quality priorities identified in this application is provided as Appendix 2.

Total Estimated Project Costs

Percentage of Project for Water Quality Protection/Improvement

\$48,000,000

100%

Estimated General Non-Point Source Program Loan

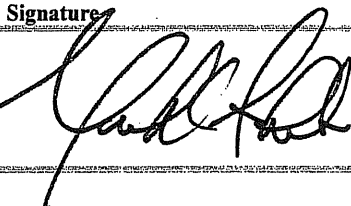
\$10,000,000

PROGRAM APPLICANT CONDITIONS

- Timely completion. The approval of this application is good for six months following DNR signature. If the project is not expected to be complete within six months, the applicant may request an extension from the DNR. If the project is not complete and a request to extend this approval is not made, GNS funds may not be available.
- Records. The project owner shall maintain records that document all costs associated with the project for not less than 3 years from the date of the final loan payment. The project owner shall provide the Department of Natural Resources representative access to the project to verify the loan was used for the purpose intended.
- Rectification and Disputes. Failure of the project owner to implement the approved local water protection project or to comply with the applicable requirements constitutes grounds for the Department of Natural Resources or the lending institution to withhold loan disbursements. The project owner is responsible for ensuring that the identified problem is rectified.
- Repayment & Property Transfer. Loans shall be repaid in accordance with the terms and conditions of the executed loan agreement between the participating lender and project owner. Repayment of the loan must begin within 30 days after the project is completed or by the date specified by the participating lender, whichever is earlier. In the event of property transfer from the project owner that secured the loan to another person or entity during the repayment period specified in the loan agreement, the balance of the loan, principal and any accrued interest shall be due in full. Prepayment of the principal in whole or in part shall be allowed without penalty.
- Project owner is responsible for obtaining all applicable permits. This application approval does NOT constitute a permit.

PROGRAM APPLICANT SIGNATURE

Project Owner Signature. By signing this program application, I agree that all information provided in this application is accurate and I agree to the conditions listed above.

Project Signature Name and Title	Signature	Date
Mark C. Ackelson President Iowa Natural Heritage Foundation		1/11/08

PROJECT RATING CRITERIA

The general non-point source rating criteria consider the use classification of the receiving waters, water quality of the receiving waters, the project benefits and a tiebreaker. Priority ranking for the projects is based on the total points awarded for all the categories. The greater the total number of points, the higher the ranking. All applications will be rated using 567 Iowa Administrative Code 91.11(455B) General nonpoint source projects rating system (see next page for more details).

PROGRAM APPLICATION APPROVAL

DNR Signature. By approving this program application, the Department of Natural Resources confirms that the application accurately estimates the cost of the practice, that the practice described is reasonable and proper, and that the proposed project is eligible under the rules of the program.

DNR Signature Name and Title	Signature	Date
Patricia Cale-Finnegan SRF Coordinator	PCale-Finnegan	3/25/08

EXHIBIT C

LOAN REQUEST

<u>NOTE TYPE</u>	<u>ORIGINAL AMOUNT</u>	<u>RATE</u>	<u>TERM</u>	<u>PURPOSE</u>	<u>SECURITY</u>
Loan	\$495,000	Up to 3%	5 Years	Purchase 65 acres Kossuth County	REM/ INHF

People's Bank has agreed to be the direct lender on this loan with 100% participation with Iowa Finance Authority

Equity

	2010	2009	2008	2007
Total Assets	\$35,525,368	\$30,020,963	\$31,680,112	\$39,587,629
Total Liabilities	\$12,366,592	\$10,871,416	\$14,820,426	\$ 21,391,292
Total Net Assets	\$23,158,776	\$19,149,547	\$16,859,686	\$18,196,337

The Iowa Natural Heritage Foundation (INHF), a non-profit conservation group, has helped protect more than 100,000 acres of Iowa's prairies, wetlands, woodlands, greenways, trails and river corridors. Each year INHF works with members, landowners, volunteers, leaders and conservation professional across Iowa. The INHF staff which, includes 20 full time employees, works closely with at least 100 volunteers on an annual basis. The INFH membership includes over 7,000 individuals, families, business and organizations. These members are INHF's main source of volunteer work, project support, new project ideas, landowner contracts and major planned gifts for the future of Iowa conservation.

From a financial standpoint, INHF is very sound. The foundation's net worth has been at an average of \$17.8.M. Liquidity is extremely strong for INHF with working capital of \$13.7 million at year end 2010.

The foundation's total revenue in 2010 was \$20 million. Based on the above, the foundation showed a positive net asset gain of \$4 million.

Repayment

Funding will be provided by the U.S. Fish and Wildlife Service Waterfowl Production Area Program.

Economic Development Loan Program

ED #	Project	Amount	City	County	Description	Ind. Res.	Public Hearing	Auth. Res.	Gov App	Closing Date	Fee	Type
Closed in FY 2012												
11-14	Diocese of Sioux City	\$9,955,000	Sioux City	Woodbury	refunding of outstanding bonds	06/01/11	07/06/11	07/06/11	07/19/11	07/29/11	\$9,955	501 c(3)
11-09	Hilton Garden - Chrisbro III	\$9,250,000	Cedar Falls	Black Hawk	construction of new 113 room hotel	05/04/11	07/06/11	08/03/11	08/16/11	08/26/11	\$9,250	MDA
11-10	Solon Nursing Care Facility	\$3,340,000	Solon	Johnson	Construction of skilled nursing and dementia units	05/04/11	06/01/11	06/01/11	08/16/11	09/12/11	\$3,340	MDA
11-12	GMT Corporation	\$13,348,000	Waverly Iowa City	Bremer Johnson	construction of a new manufacturing facility and purchasing equipment	06/01/11	09/07/11	09/07/11	09/15/11	09/23/11	\$11,674	MDA
11-15	Friendship Haven	\$34,000,000	Ft Dodge	Webster	construction of nursing facility, assisted living & ind. living apts & refunding	07/06/11	09/07/11	09/07/11	10/11/11	10/14/11	\$20,250	501 c(3)
11-08	Stellar Industries	\$3,500,000	Kanawha & Garner	Hancock	acq. rehab of facility on Kanawha and construction of new facility in Garner	05/04/11	11/02/11	11/02/11	11/08/11	11/10/11	\$3,500	PABC
11-22	Northcrest	\$8,940,000	Ames	Story	refinancing 2006 bonds	10/12/11	N/A	10/12/11	N/A	11/18/11	\$8,940	501 c(3)
364/462)	Village Court Associates - refi	22,000,000.00	Johnston	Polk	refinance of existing bonds	N/A	N/A	09/07/11	N/A	12/01/11	15,750.00	
11-24	Care Initiatives - Series A	\$7,000,000	Pleasant Hill Waterloo	Polk Black Hawk	constructing two nursing home facilities in Pleasant Hill and Waterloo	10/12/11	11/02/11	11/02/11	12/03/11	12/07/11	\$7,000	501 c(3)
11-26	Archer-Daniels-Midland Company	\$80,800,000	Cedar Rapids Clinton	Linn & Clinton	improvements to the wet corn mill, dry corn mill and co-generation facilities in CR and Clinton	11/15/11	12/07/11	12/07/11	12/08/11	12/13/11	\$32,025	MDA
11-21	CAS Enterprises, Inc	\$3,201,600	Huxley	Story	expansion of Kreg Tool Co facility	09/07/11	12/07/11	12/07/11	12/08/11	12/14/11	\$3,202	PABC & MDA
10-39	Dice Building	\$3,050,000	Urbandale	Polk	construction of new commercial office building	01/12/10	11/02/11	11/02/11	12/19/11	12/29/11	\$1,906	MDA
10-20	R&R Investors (PCDC)	\$6,580,000	WDM, DM, Urbandale	Polk & Dallas	renovate office, warehouse and retail properties	08/04/10	11/02/11	11/02/11	12/19/11	12/29/11	\$4,112	MDA
10-20	R&R Investors (PAHC/PEC/PC)-refi	\$20,370,000	Various	various	renovation and improvements to 75 commercial buildings	N/A	N/A	11/02/11	N/A	12/29/11	\$12,732	MDA
11-27	Jones-Pioneer Warehouse	\$4,900,000	Marengo	Iowa	construct 100,000 sq ft storage facility	12/07/11	01/11/12	01/11/12	01/18/12	01/26/12	\$4,900	MDA
11-30	Enseva Hiawatha Project	\$8,480,000	Hiawatha	Linn	acquisition & construction of data storage facility and office space	01/11/12	02/01/12	02/01/12	02/22/12	02/23/12	\$8,480	MDA
Total Closed FY12		\$238,714,600	\$157,016									

Economic Development Loan Program

ED #	Project	Amount	City	County	Description	Ind. Res.	Public Hearing	Auth. Res.	Gov App	Closing Date	Fee	Type
Pending												
11-01	Hotel Ft Des Moines	\$25,000,000	Des Moines	Polk	renovation of Hotel Ft. Des Moines	03/02/11	05/04/11				\$21,875	MDA
11-02	Hotels at River Point West	\$18,125,000	Des Moines	Polk	construction of 2 hotels in downtown Des Moines	03/02/11					\$11,563	MDA
11-03	Asphalt Plant & Equipment (LL Pelling Co)	\$5,000,000	Cedar Rapids	Linn	Expansion of an asphalt plant and equipment in Cedar Rapids	04/06/11					\$5,000	MDA/PABC
11-04	Tama Energy Campus	\$262,374,000	Tama	Tama	ethanol plant and related facilities	04/06/11					\$66,000	MDA/PABC
11-05	Dexter Energy Campus	\$162,374,000	Dexter	Dallas	ethanol plant and related facilities	04/06/11					\$47,000	MDA/PABC
11-06	Cargill Construction and Expansion in Iowa - Series B	\$125,000,000	various	various	acq., construction & expansion of Cargill's corn milling, pork, kitchen solutions and grain & oilseed supply chain businesses	05/04/11	06/01/11	06/01/11	A 6/3/11	A 6/14/11	\$40,312	MDA
11-13	Harris & Ford	\$130,000,000	Eddyville	Monroe	construction of chlor-alkali manufacturing facility	06/01/11					\$41,250	MDA
11-17	HIPRA USA	\$40,000,000	Ames	Story	construction of warehouse and facility to produce animal vaccines	08/03/11					\$22,500	MDA
11-18	BNSF Burlington Bridge	\$10,000,000	Burlington	Des Moines	constructing new approach spans for bridge over Mississippi River	08/03/11					\$10,000	MDA
11-19	Trinity Health	\$232,295,000	various	various	construction, renovation, remodeling, equip purchase and refunding prior bonds.	08/12/11					\$55,000	501 c(3)
11-20	I-Dry Council Bluffs (Tyson)	\$60,000,000	Council Bluffs	Pottawattamie	renovation, furnishing & equipping facility to manufacture consumer food products	09/07/11					\$28,125	MDA
11-23	Des Moines Building	\$12,000,000	Des Moines	Polk	renovate building to include both commercial and multifamily residential	10/12/11					\$11,000	MDA
11-24	Care Initiatives - Series B	\$7,000,000	Pleasant Hill Waterloo	Polk Black Hawk	constructing two nursing home facilities in Pleasant Hill and Waterloo	10/12/11	11/02/11	11/02/11			\$7,000	501 c(3)
11-25	Iowa Premium Beef - Tama Beef Plant Restoration	\$15,500,000	Tama	Tama	restoration of beef packing plant that suffered damage in the 2008 floods	11/02/11					\$12,750	MDA
11-26	Archer-Daniels-Midland Company	\$119,200,000	Cedar Rapids Clinton	Linn & Clinton	improvements to the wet corn mill, dry corn mill and co-generation facilities in CR and Clinton	11/15/11	12/07/11	12/07/11	A-12/8/11	A-12/13/11	\$39,000	MDA
11-28	Fleming Building	\$20,200,000	Des Moines	Polk	renovation of Fleming Bldg into 96 apartments and 2 floors of commercial	12/07/11					\$15,000	MDA
11-29	GMT Expansion Project	\$16,300,000	Waverly	Bremer	purchase new machining equipment	12/07/11					\$13,150	MDA
11-31	CJ Bio America, Inc.	\$220,000,000	Fort Dodge	Webster	acquisition & construction of amino acid production facility	01/11/12	02/01/12	02/01/12			\$55,000	MDA
12-01	All Star Ballpark Heaven & Field of Dreams Preservation Project	\$22,000,000	Dyersville	Dubuque	construction of 24 ball fields, indoor training facility, and community center	02/01/12					\$15,750	MDA
12-02	Badgerow Building	\$8,000,000	Sioux City	Woodbury	acquisition & construction of office space		N/A				\$8,000	TAXABLE
12-03	Geneseo Communications, Inc	\$12,800,000	Bettendorf	Scott	construction of data center	03/07/12					\$11,400	MDA
12-04	Green Industrial Properties, LLC	\$4,500,000	Dubuque	Dubuque	construction of 140,000 sq. ft. warehouse / light assembly space	03/07/12					\$4,500	MDA
12-05	Marshalltown Senior Residence	\$6,000,000	Marshalltown	Marshall	acquisition & rehabilitation of historic bldg into 28 units for seniors	03/07/12					\$6,000	PABC
Total Pending		\$1,533,668,000									\$547,175	



To: IFA Board of Directors
From: Terri Rosonke, HousingIowa Development Specialist
Date: 3/7/12
Re: State Housing Trust Fund – Project-Based Housing Program

As provided in the Allocation Plan, IFA will accept applications for the Project-Based Housing Program on an open window basis until all available moneys have been exhausted. Available funding under the FY 2012 Project-Based Housing Program totals \$320,183, including deobligations and a November 2011 budget amendment. The attached funding recommendations are offered for your consideration for three awards totaling \$105,183 based upon the threshold review of applications referenced in the prepared summary.

If the attached funding recommendations are approved by the Board, awards to date will total \$320,183 under the Project-Based Housing Program's FY 2012 funding, with no funds remaining available for allocation. Awards approved by the Board are leveraging an additional \$745,173 in other financing resources or \$2.33 for every dollar of Project-Based funding. The approved projects will assist a total of 15 affordable housing units in Iowa with an average per unit subsidy of \$21,346.

With no FY 2012 Project-Based Housing Program funding remaining, IFA will stop accepting applications under the program until such time as additional funds become available.



**FY 2012 State Housing Trust Fund – Project-Based Housing Program
Application Summary and Funding Recommendations
March 7, 2012**

Project-Based Application #12-31

<u>Applicant:</u>	Iowa Valley Habitat for Humanity
<u>Project Location:</u>	Tipton (Cedar County)
<u>Funding Request:</u>	\$50,000
<u>Number of Units:</u>	1
<u>Total Budget:</u>	\$130,000
<u>Project Type:</u>	Homeownership
<u>Activity:</u>	New construction of affordable housing

Background: Iowa Valley Habitat for Humanity has requested a \$50,000 grant to help construct an affordable single-family home in Tipton. The new home will be sold to a low-income family and will be built to meet ENERGY STAR and Iowa Green Streets criteria. Iowa Valley Habitat for Humanity received the build site through the donation of property on which the Lynn Street Trailer Park was previously located. The remaining trailer homes were vacant at the time of the donation and were properly demolished. The site is being replatted into five single-family lots, with one home to be constructed under the proposed project. The city of Tipton has agreed to donate infrastructure for the redevelopment project by upgrading and installing new water, sanitary sewer, and gas mains along with a new electric primary line. The identified Habitat for Humanity partner family will receive financial, home repair, homeownership, and foreclosure prevention education. Each adult family member must also complete 250 hours of sweat equity prior to closing on the home.

The Project-Based Housing Program award will be used to help finance construction costs. The requested grant represents 42 percent of the net project budget.

Recommendation: The application is recommended for funding in the amount of \$50,000 contingent upon the following:

1. IFA compliance staff's approval of the homebuyer's gross annual household income verification documentation.
2. Documentation that all sources of funds identified in the project budget have been secured.
3. IFA legal counsel's approval of the final title opinion for the donated property.

Project-Based Application #12-32

<u>Applicant:</u>	Hope Haven Area Development Center Corporation
<u>Project Location:</u>	Burlington (Des Moines County)
<u>Funding Request:</u>	\$50,000
<u>Number of Units:</u>	3
<u>Total Budget:</u>	\$73,661
<u>Project Type:</u>	Rental
<u>Activity:</u>	Acquisition of housing property and rehabilitation for affordable housing

Background: Hope Haven Area Development Center Corporation has requested a \$50,000 grant to assist in the acquisition and rehabilitation of an existing single-family home in Burlington to provide affordable rental housing for persons with disabilities. The project will provide housing integrated in the community for three adults with developmental disabilities who are eligible for the Medicaid Home and Community Based Services (HCBS) Waiver. Appropriate supportive services based upon a tenant's individual needs will be delivered on-site by a service provider selected by the tenant. Hope Haven Area Development Center Corporation has made a purchase offer on a property that has been rehabilitated through the Neighborhood Stabilization Program, but the home requires additional rehabilitation to fully meet the safety and handicapped accessibility needs of the targeted HCBS Waiver eligible population. Rehabilitation expenses will be paid for by the Hope Haven Area Development Center Corporation.

The Project-Based Housing Program award will be used to help finance acquisition costs. The requested grant represents 71 percent of the net project budget.

Recommendation: The application is recommended for funding in the amount of \$50,000 contingent upon Hope Haven Area Development Center Corporation working with Iowa's Money Follows the Person initiative to ensure the assisted affordable housing units are made available to persons with disabilities transitioning from Intermediate Care Facilities for Mental Retardation (ICF/MR) to community-based housing.

Project-Based Application #12-33

<u>Applicant:</u>	Hope Haven, Inc.
<u>Project Location:</u>	Rock Rapids (Lyon County)
<u>Funding Request:</u>	\$50,000 (as compared to Funding Recommendation in the amount of \$5,183 – see explanation below)
<u>Number of Units:</u>	4
<u>Total Budget:</u>	\$121,500
<u>Project Type:</u>	Rental
<u>Activity:</u>	Acquisition of existing market-rate housing property to create new affordable housing units

Background: Hope Haven has requested a \$50,000 grant to assist in the acquisition of an existing single-family home in Rock Rapids to provide affordable rental housing for persons with disabilities. The project will provide housing integrated in the community for four adults with developmental disabilities who are eligible for the Medicaid Home and Community Based Services (HCBS) Waiver. Appropriate supportive services based upon a tenant's individual needs will be delivered on-site by a service provider selected by the tenant. Although the applicant is eligible for the requested \$50,000 grant, only a \$5,183 grant award is recommended because no additional Fiscal Year 2012 Project-Based Housing Program funding remains available. IFA staff offered to hold the application until such time as additional funding becomes available under the program, but Hope Haven declined that offer and agreed to accept a \$5,183 grant at this time due to the immediate need for this housing option in Rock Rapids.

The Project-Based Housing Program award will be used to help finance acquisition costs. The requested grant represents four percent of the net project budget.

Recommendation: The application is recommended for funding in the amount of \$5,183 contingent upon Hope Haven working with Iowa's Money Follows the Person initiative to ensure the assisted affordable housing units are made available to persons with disabilities transitioning from Intermediate Care Facilities for Mental Retardation (ICF/MR) to community-based housing.

RESOLUTION
HI 12-06

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, works to expand, protect and preserve affordable housing for low and moderate income families in the State of Iowa; and

WHEREAS, pursuant to Iowa Code section 16.181, a housing trust fund has been created within the Authority (the “Trust Fund”); and

WHEREAS, the Authority has adopted an allocation plan for the Project-Based Housing Program under the Trust Fund (the “Allocation Plan”); and

WHEREAS, the Allocation Plan establishes a Project-Based Housing Program and provides for criteria for grants for the program; and

WHEREAS, pursuant to Iowa Code section 16.181 and the terms of the Allocation Plan, applications for the program will be accepted on an open-window basis until all available moneys have been exhausted; and

WHEREAS, Authority staff has reviewed the applications referenced in Exhibit A pursuant to the criteria set forth in the Allocation Plan and recommends the Board award funds under the Allocation Plan as set forth on the attached Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. Pursuant to the Allocation Plan, the Board hereby awards grants under the Project-Based Housing Program to the recipients and in the amounts listed on Exhibit A, contingent upon all other funding sources, as identified in the applicant’s project budget, being secured.

SECTION 2. The Board hereby authorizes Authority staff to prepare grant award agreements for the recipients consistent with this resolution and with the Allocation Plan.

PASSED AND APPROVED this 7th day of March, 2012.

David D. Jamison, Secretary

(Seal)

EXHIBIT A

Applicant	Category	Funding Recommendation
#12-31, Iowa Valley Habitat for Humanity <i>Project Location: Tipton (Cedar County)</i>	Project-Based	\$ 50,000
#12-32, Hope Haven Area Development Center Corporation <i>Project Location: Burlington (Des Moines County)</i>	Project-Based	\$ 50,000
#12-33, Hope Haven, Inc. <i>Project Location: Rock Rapids (Lyon County)</i>	Project-Based	\$ 5,183
Total Funding Recommendations 3/7/12	Project-Based	\$ 105,183
Total Prior Awards FY2012	Project-Based	\$ 215,000
Total FY2012 Funding Recommendations/Awards To Date	Project-Based	\$ 320,183
Total FY2012 Funding Remaining	Project-Based	\$ 0

RESOLUTION
HI 12-07

WHEREAS, the Iowa Finance Authority (the “Authority”) is the allocating agency in the State of Iowa for the HOME Partnership Program (“HOME Program”) of the federal Department of Housing and Urban Development (“HUD”) as authorized by the Cranston-Gonzalez National Affordable Housing Act of 1990; and

WHEREAS, the Authority previously awarded HOME funds to the subrecipient organizations set forth on Exhibit A, attached hereto (“Subrecipient Organizations”), in the 2009 through 2011 funding rounds pursuant to the Authority’s administrative rules (Iowa Administrative Code 265 — ch. 39) (“Home Rules”), the State of Iowa Consolidated Plan for Housing & Community Development (“Consolidated Plan”), and the applicable Annual Action Plans (“AAP”); and

WHEREAS, the Authority, in consultation with the Subrecipient Organizations has determined that the Subrecipient Organizations have increased demand for homebuyer down payment assistance and tenant –based rental assistance, including the associated administrative funding, as set forth on Exhibit A; and

WHEREAS, the Authority may, under the HOME Rules and applicable federal law may grant additional HOME Program funds and HOME administration funds; and

WHEREAS, the Authority has available HOME Program funds that must be committed, if at all, by April 30, 2012; and

WHEREAS, the Authority has determined that it would be appropriate to award additional HOME Program funds to the Subrecipient Organizations in the amounts set forth on Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Iowa Finance Authority as follows:

SECTION 1. The Iowa Finance Authority hereby awards supplemental funding for homebuyer down payment assistance and tenant –based rental assistance and reimbursement for the associated administrative costs as set forth on Exhibit A, hereto.

SECTION 2. The supplemental awards made in the preceding Section are contingent upon the amendment of the Subrecipient Organizations’ respective Funding Approval and HOME Investment Partnerships Agreements and the execution thereof by the Authority and the Subrecipient Organizations.

SECTION 3. The Executive Director and Authority staff are hereby authorized to negotiate, draft, and execute the Funding Approval and HOME Investment Partnerships Agreements in accordance with this resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase, line item, or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, line items, and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 7th day of March, 2012.

David D. Jamison, Secretary
(Seal)

EXHIBIT A

SUMMARY

Supplemental HOME awards for the following Subrecipient Organizations:

1. Postville 10-HM-118-65

City of Postville

Total HOME funds request: \$116,270 (\$105,700 program grant + \$10,570 admin)

2. Region XII 11-HM-306

Cities of Willey, Templeton, Glidden, Manning, Auburn, Guthrie Center, Scranton, Jefferson and Manilla

Counties of Carroll, Guthrie, Greene, Crawford and Dallas

Total HOME funds request: \$110,000 (\$100,000 program grant + \$10,000 admin)

3. Carroll 10-HM-115-65

City of Carroll

Total HOME funds request: \$238,850 (\$203,500 program grant + \$20,350 admin)

4. Upper Explorerland Regional Housing 09-HM-602-40 Tenant Based Rental Assistance

Counties of Allamakee, Clayton, Fayette, Howard and Winneshiek

Total HOME funds request: \$187,000 (\$170,000 program grant + \$17,000 admin)

5. Mason City Housing Authority 10-HM-002-40 TBRA

City of Mason City, Cerro Gordo County

Total HOME funds request: \$234,432 (\$213,120 program grant + \$21,312 admin)

6. City of Marshalltown 11-HM-105 TBRA

City of Marshalltown, Marshall County

Total HOME funds request: \$100,000 (\$90,910 program grant + \$9,090 admin)

Total Aggregate Grant Amount: \$883,230

Total Aggregate Admin Amount: \$88,322

DETAIL INFORMATION ON SUPPLEMENTARY AWARDS

1. Postville 10-HM-118-65

City of Postville

Proposed additional HOME funds allocation: \$105,700, for a total HOME award of \$600,000

Proposed additional HOME administration funds allocation: \$10,570 for a total HOME administration award of \$39,870

Total HOME funds request: \$116,270 (\$105,700 program grant + \$10,570 admin)

The City of Postville received a HOME grant award of \$312,800 in 2010 to provide homebuyer downpayment assistance to first time homebuyers in Postville. This community was especially hard hit by foreclosures following the immigration raid and subsequent court activities around the processing plant. As a result, the grant administrator, the Council on Governments, has been working diligently with the City of Postville and local banks to clear the backlog of foreclosed homes and improve the quality of the properties being purchased by first time homebuyers.

Current Contract Amount: \$494,300

Current Contract End Date: May 31, 2012

Properties assisted to date: 16 committed out of 16 proposed

They are asking for homebuyer assistance for 4 additional households at the following addresses:

12322 100th Street

405 W Post

444 W. Tilden

302 Hill Street

2. Region XII 11-HM-306

Cities of Willey, Templeton, Glidden, Manning, Auburn, Guthrie Center, Scranton, Jefferson and Manilla

Counties of Carroll, Guthrie, Greene, Crawford and Dallas

Proposed additional HOME funds allocation: \$100,000, for a total HOME award of \$600,000

Proposed additional HOME administration funds allocation: \$10,000 for a total HOME administration award of \$34,000

Total HOME funds request: \$110,000 (\$100,000 program grant + \$10,000 admin)

The Region XII Council of Governments received a HOME grant award of \$500,000 in 2011 to provide homebuyer downpayment assistance to first time homebuyers in the Region XII service area. The Council on Governments effectively administers this homebuyer assistance program throughout the entire region, and through marketing efforts has a waiting list of applicants when additional HOME funds become available. They are seeking funds to assist 3 additional homebuyers.

Current Contract Amount: \$500,000

Current Contract End Date: July 31, 2012

Properties assisted to date: 9 committed out of 14 proposed

Units: set-up 9 out of 14

Addresses to be set-up to complete initial grant commitment:

215 N. 18th, Denison, IA

311 West St., Manning, IA

427 w. 3rd St., Templeton

507 11th St., Manning, IA

2311 Warford, Perry, IA

311 Ann St., Manning, IA

429 East 2nd, Glidden, IA

They are asking for homebuyer assistance for 3 additional households at the following addresses:

1211 East St, Manning, IA

412 9th St., Manilla, IA

One address to be determined

3. Carroll 10-HM-115-65
City of Carroll

Proposed additional HOME funds allocation: \$203,500, for a total HOME award of \$566,000

Proposed addition HOME administration funds allocation: \$20,350, for a total HOME administration award of \$37,850

Total HOME funds request: \$238,850 (\$203,500 program grant + \$20,350 admin)

The City of Carroll received a HOME grant award of \$494,300 in 2010 to provide homebuyer downpayment assistance to first time homebuyers in Carroll. This program is administered by the Region XII COG on behalf of the City of Carroll. They have a waiting list of five homebuyers that could receive assistance if additional HOME funds were provided.

Current Contract Amount: \$362,500

Current Contract End Date: May 31, 2012

Properties assisted to date: 7 committed out of 7 proposed

They are asking for homebuyer assistance for 5 additional households at the following addresses:

120 N. Walnut

1143 Vine Street

118 West 1st

Two remaining addresses to be determined

4. Upper Explorerland Regional Housing 09-HM-602-40 Tenant Based Rental Assistance
Counties of Allamakee, Clayton, Fayette, Howard and Winneshiek

Proposed additional HOME program funds allocation: \$170,000 for a total HOME award of \$215,050

Proposed additional HOME administration funds allocation: \$17,000 for a total HOME administration award of \$36,550

Total HOME funds request: \$187,000 (\$170,000 program grant + \$17,000 admin)

The Upper Explorerland Regional Housing received a HOME grant award of \$215,050 in 2009 to provide tenant based rental assistance to renter households that are at or below 50% area median income in their service area. Upper Explorerland has successfully managed three previous TBRA contracts, and is requesting a two-year extension to serve an additional 25 households.

Current Contract Amount: \$215,050

Current Contract End Date: June 24, 2012

Households assisted to date: 124

Funding expended: 87%

**5. Mason City Housing Authority 10-HM-002-40 TBRA
City of Mason City, Cerro Gordo County**

Proposed additional HOME program funds allocation: \$213,120 for a total HOME award of \$408,960

Proposed additional HOME administration funds allocation: \$21,312 for a total HOME administration award of \$39,687

Total HOME funds request: \$234,432 (\$213,120 program grant + \$21,312 admin)

The Mason City Housing Authority received a HOME grant award of \$215,050 in 2010 to provide tenant based rental assistance to renter households that are at or below 50% area median income in their service area. The Mason City Housing Authority has successfully managed one previous TBRA contracts, and is requesting a two-year extension to serve an additional 30 households. The Authority also administers the Section 8 rental voucher program for the area.

Current Contract Amount: \$214,215

Current Contract End Date: May 31, 2012

Households assisted to date: 36

Funding expended: 72%

6. City of Marshalltown 11-HM-105 TBRA
City of Marshalltown, Marshall County

Proposed additional HOME program funds allocation: \$90,910 for a total HOME award of \$138,910

Proposed additional HOME administration funds allocation: \$9,090 for a total HOME administration award of \$11,090

Total HOME funds request: \$100,000 (\$90,910 program grant + \$9,090 admin)

The City of Marshalltown received a HOME grant award of \$50,000 in 2011 to provide tenant based rental assistance to renter households that are at or below 50% area median income in their service area. Marshalltown has successfully managed four previous TBRA contracts, and is requesting a 12-month extension to serve an additional 140 households.

Current Contract Amount: \$50,000

Current Contract End Date: August 2, 2013

Households assisted to date: Currently completing previous HOME award

Funding expended: 0%

RESOLUTION
HI 12-08

WHEREAS, the Iowa Finance Authority (the “Authority”) is the allocating agency in the State of Iowa for the HOME Partnership Program (“HOME Program”) of the federal Department of Housing and Urban Development (“HUD”) as authorized by the Cranston-Gonzalez National Affordable Housing Act of 1990; and

WHEREAS, the Authority previously awarded HOME loans to the ownership entities (“Ownership Entities”) set forth on Exhibit A, attached hereto, in the 2010 and 2011 funding rounds pursuant to the Authority’s administrative rules (Iowa Administrative Code 265 — ch. 39) (“Home Rules”), the State of Iowa Consolidated Plan for Housing & Community Development (“Consolidated Plan”), and the applicable Annual Action Plans (“AAP”); and

WHEREAS, the Authority, in consultation with the Ownership Entities has determined that the Ownership Entities have increased demand for construction and permanent financing, as set forth on Exhibit A; and

WHEREAS, the Authority may, under the HOME Rules and applicable federal law may loan additional HOME Program funds; and

WHEREAS, the Authority has available HOME Program funds that must be committed, if at all, by April 30, 2012; and

WHEREAS, the Authority has determined that it would be appropriate to loan additional HOME Program funds to the Ownership Entities in the amounts set forth on Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Iowa Finance Authority as follows:

SECTION 1. The Iowa Finance Authority hereby authorizes supplemental financing for eligible rental properties as set forth on Exhibit A, hereto.

SECTION 2. The supplemental financing authorized in the preceding Section is contingent upon the amendment of the Ownership Entities’ respective HOME Investment Partnership Program Master Contract and funding Agreement (for loans originally made in 2010) and their HOME Investment Partnerships Program Contracts (for loans originally made in 2011) (collectively, the “Loan Documents”) and the execution thereof by the Authority and the Ownership Entities.

SECTION 3. The Executive Director and Authority staff are hereby authorized to negotiate, draft, and execute the Loan Documents in accordance with this resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase, line item, or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, line items, and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 7th day of March, 2012.

David D. Jamison, Secretary
(Seal)

EXHIBIT A

SUMMARY

Supplemental HOME loan amounts for the following developer projects:

1. High Street Brickstone Housing fka Olive Street Brickstone (10-HM-421-73)
17th Street and High Street - Des Moines, IA
High Street Brickstone Housing, LLLP
Total HOME funds request: \$668,000 Construction Loan
2. UniverCity Neighborhood Partnership Rental Homes (11-HM-004)
Iowa City, IA
The Housing Fellowship, Community Housing Development Organization
Total HOME funds request: \$197,022 Loan

Total Aggregate Supplemental HOME Loan Amounts: \$865,022

DETAIL INFORMATION ON SUPPLEMENTAL AWARDS

**1. High Street Brickstone Housing fka Olive Street Brickstone (10-HM-421-73)
17th Street and High Street - Des Moines, IA
Olive Street Brickstone Housing, LLLP**

**Proposed additional HOME funds allocation: \$668,000 supplemental construction loan
+ \$232,000 HOME initial loan, for a total HOME loan of \$900,000**

Total HOME construction loan request: \$668,000

This project, initially received a HOME loan for \$232,000 in 2010, to be used during the construction period and as a permanent loan. In response to a request from the syndicator, the ownership entity changed the location of the project from Olive Street to 17th & High Street in Des Moines, IA. As a result of the construction delays, interest accrual on the traditional bank loan for construction has caused additional costs for the project.

IFA is proposing replacing a portion of the project construction financing currently at market rate interest with a 0% interest construction loan.

The total project cost is \$3,641,092 for 21 units, all below 60% area median income. The original construction loan is from Cedar Rapids Bank and Trust, not to exceed \$3 million, with a 24 month term, fixed interest rate at time of commitment was 5.5% (currently 6%). The

HOME award would reduce the construction loan by \$668,000 at 0% interest, and would be repaid with the tax credit equity installment.

The primary benefit to the project is the 0% interest loan lowers the cost of development by reducing the amount of interest paid on the existing construction loan which will assist in lessening the impact of minor cost overruns on overall project health.

Project savings resulting from the provision of a 0% interest construction loan versus current construction loan are estimated to be \$20,000 to \$23,000 depending on the ultimate date of repayment.

Project Name:	High Street Brickstone Housing fka Olive Street Brickstone
Location:	17 th Street and High Street - Des Moines, IA
Owner:	Olive Street Brickstone Housing, LLLP
Number of Units:	21
Income Targeting:	All below 60%
Total Project Costs:	\$3,641,092
Initial HOME Award (2010):	\$232,000
Proposed Add'l HOME Award (2012):	\$668,000 Construction Loan
Total HOME funds proposed:	\$900,000

2. UniverCity Neighborhood Partnership Rental Homes (11-HM-004)

Iowa City, IA

The Housing Fellowship, Community Housing Development Organization

Proposed additional HOME funds allocation: \$197,002 supplemental loan + \$71,530 HOME initial loan, for a total HOME loan of \$268,522

Total HOME loan request: \$197,022

IFA is proposing replacing the first mortgage bank loan of \$197,022 at 5% interest and the second mortgage HOME loan of \$71,530 at 0% interest, with a \$268,522 HOME first mortgage with 0% interest.

The benefits of providing additional HOME funds for UniverCity are:

1. Lowers the cost of development overall by reducing the amount of interest paid on construction loan;
2. Improves the ongoing viability of the of the project's operations by reducing the amount of interest paid on the first mortgage;
3. Provides the project with a debt service coverage ratio between 1.20 and 1.50, but will be in a better position to repay the HOME mortgage; and
4. Moves IFA to a first position mortgage instead of being in a subordinate loan position.

The Housing Fellowship was incorporated in 1990 with a mission to provide quality homes that are affordable to people with limited incomes. Since 1992, The Housing Fellowship has successfully built or rehabilitated over 170 units with HOME funds in the Iowa City area.

The Housing Fellowship has attained the status of an IFA Certified Community Housing Development Organization (CHDO). IFA must commit 15 percent of all HOME funds to CHDO organizations, so there is an additional compliance benefit to the state to award additional HOME funds to CHDOs.

Project Name:	UniverCity Neighborhood Partnership Rental Homes
Location:	Iowa City, IA
Sponsor:	The Housing Fellowship (non-profit community housing development organization-CHDO)
Number of Units:	5 units for families
Income Targeting:	50% Area Median Income
Total Project Costs:	\$852,003
Initial HOME Award (2011):	\$71,530
Proposed Add'l HOME Award (2012):	\$197,022



To: Iowa Finance Authority Board Directors
From: Irene Hardisty, director of single family production
Date: February 27, 2012
Subject: Single Family Housing Update

Fiscal 2012 January YTD the Iowa Finance Authority (IFA) has purchased over **\$54 million of mortgages** providing **639 Iowa families** with sustainable homeownership opportunities. This compares to 661 mortgages totaling \$57,967,493 during the same period last year.

IFA provided **507 families with down payment closing cost assistance totaling \$1,745,578** in current fiscal year (FY 1/31/12). This compares to 518 grants totaling \$1,739,407 during the same period in FY11.

Mortgage reservation activity is respectable for this time of year, averaging \$2 million per week. Although we ended the down payment assistance special at the end of last year, the percentage of all loans which include grants has remained high at 81%, in comparison to approximately 50% of all loans prior to the special. We attribute the increase to a broader awareness of the availability of the grant after the governor's announcement of the special.

Consistent with its long standing support of Housing Finance Authority's, Fannie Mae launched a new conventional mortgage platform for HFAs called HFA Preferred. IFA is in the process of rolling out the new product under its FirstHome Program. HFA Preferred requires only a 3% down payment, reduced mortgage insurance coverage requirements, and lower secondary market fees for first time home buyers. IFA will continue offering MyCommunity under its Homes for Iowans Program. While mortgage market volume is still mainly by government mortgages, the HFA Preferred conventional loan may help conventional mortgage FirstTime home buyers to obtain more attractive financing terms. HFA Preferred will now provide homebuyers a choice in IFA programs – government or conventional.

Due to a number of regulatory and internal changes it is confronted with' IFA's master servicer' U.S. Bank Home Mortgage, is requesting reconsideration of the agreements with IFA. Current agreements include a Mortgage Origination Agreement (MOA), a tri-party with lender and a Servicing Agreement, tri-party with trustee. The proposed agreements would be structured as MOA (between lender and IFA), Participating Lender Agreement (between USBHM and the lender), and the tri-party Servicing Agreement with language whereas USBHM controls lender approval.

The Single Family Team is planning its first in a long time Lender Forum scheduled for March 27 in Des Moines at Hy-Vee Hall. These forums are intended to allow the Single Family Team to obtain feedback from participating lenders, real estate brokers and other stakeholders on how to improve IFA's mortgage programs. The focus of this forum is to discuss recent regulatory changes and the resulting impact on mortgage lending which include increased loan costs and delays in loan closings. Ideas coming out of this conference will help develop IFA's agenda for the upcoming NCSHA Legislative Conference in April. IFA board directors are invited to attend this forum.



Single Family Home Ownership Programs

FY 2012 YTD January 31, 2012

Mortgages: 639 families for \$54,562,819 mortgages settled with IFA.

FirstHome 40.4% (258 loans)
FirstHome Plus 47.9% (306 loans)
Homes for Iowans 11.7% (75 loans)

MINORITY	YTD	Loan type:	YTD
Am Indian	0	Conv.	15.1%
Asian Pacific	4	FHA	45.7%
Black	10	RD	27.3%
Hispanic	21	VA	11.9%
TOTAL	35	5.5%	

Income	#	Family size	%	Marital Status	%
\$0 – 9,000	1	1	42%	Single	67%
\$10,000 –19,999	4	2	25%	Married	33%
\$20,000 –29,999	76	3	17%		
\$30,000 –39,999	145	4	10%	Ave. Purchase	\$89,804
\$40,000 –49,999	131	5	4%	Ave. Income	\$48,065
\$50,000 –59,000	123	6	<1%	Ave. Age	31
\$60,000 -69,000	93	7	<1%		
\$70,000-79,000	51	8	<1%		
\$80,000 - over	15	9+	<1%		

Homeownership Subsidy Programs:

Total YTD # 507 \$1,745,578

- FirstHome Plus Grant: (80% AMI) # 306 \$771,179
- Military Home Ownership Assistance: # 201 \$974,399

Mortgage Credit Certificate (MCC) Program not active, except for refinance re-issuance:

Re-issued in month: # 3 YTD # 8



To: Board of Directors of the Iowa Finance Authority
From: Tim Morlan & Derek Folden
Date: March 7, 2012
Re: Multifamily Loan Program Review

The Summary Report of the IFA Loan Programs is attached for your review.

Production Status

Loans in Process:

<u>Project</u>	<u>Loan Program</u>	<u>Target Closing</u>	<u>Amount</u>	<u>Loan Type</u>
Midwest Housing Development Fund	Multifamily	Fall of 2012	2,000,000	C
Douglas Woods, Elmcrest, & Southbrook Green - 4% bond	Multifamily	March of 2012	\$9,000,000	C/P
Valley View Apartments, Columbus Junction	Multifamily- PRLF	Late 2012 August of 2012	\$411,310	P
Joy Edwards, Mason City	Main Street		\$250,000	P

Applications in Process:

<u>Project</u>	<u>Loan Program</u>	<u>Amount</u>	<u>Loan Type</u>
----------------	-------------------------	---------------	----------------------

None

C - Construction

P - Permanent

Multifamily Loan Program - Portfolio Information

<u>Program Type</u>	<u>Loans Outstanding</u>	<u>Funds Available</u>	<u>Average Loan Rate</u>	<u>Average Debt Service Coverage Ratio</u>	<u>Profitability Spread</u>	<u>Amount of Non- Performing Loans (30+ days)</u>
Bonds	\$ 42,343,507	-	4.92%	1.57	1.13	none
State Housing Trust	\$ 7,260,214	-	1.91%		0.56	3 loans - \$19,748
HAF Loans and loans prior to 2002	\$ 1,605,128	-	.89%		-0.46	none
Workforce Housing	\$ 4,500,000	-	3.00%	n/a	1.65	none
MF 2002-2011 FY	\$ 17,763,143	-	5.64%		4.29	none
MF 2012 FY	\$ -	-	0.00%	n/a		none
MF Construction Loans	\$ 8,073,631	\$ 43,669,324	5.00%	n/a	2.28	none
Senior Living	\$ 2,408,770	\$ 2,905,806	3.65%		2.30	none
Home and Community Based Services	\$ 1,942,339	\$ 315,648	1.00%		-0.35	none
Transitional Housing	\$ 1,221,365	\$ 1,858,723	1.00%		-0.35	none
Main Street	\$ 1,625,909	-	6.42%		1.35	none
HOME	\$ 113,016,671	-	1.05%		-0.30	3 loans- \$10,651
Totals	\$201,760,677	\$48,749,501	2.80%	1.57	1.01	6 loans - \$30,399
<u>MF Potential Loans</u>						
MF Construction loans	\$0					
MF Permanent loans	\$0					



To: Iowa Finance Authority Board of Directors
From: Carole S. Vipond, Director, Section 8
Date: February 28, 2012
Re: Section 8 Summary February 2012

IFA holds a performance-based contract with HUD to provide oversight of select Section 8 Housing Assistance Payments (HAP) contracts in Iowa. Our current ACC covers 232 HAP contracts that provide housing assistance to 12,094 individuals and families in 73 counties. This change to the previous report is due to the removal from IFA's active portfolio of Corydon Housing Association IA05-R000-008, 24 units, located in Corydon, Iowa which opted out of its Section 8 Contract effective 1/31/2012.

This month's board package contains a report covering all work performed by Section 8 Contract Administration for February 2012. In February there will be 20 Management and Occupancy reviews (MOR) performed, an estimated 36 requests for contract rent adjustments processed and completed, 232 HAP vouchers reviewed, approved, and paid, and 7 full HAP contract renewals completed.

It is anticipated that staff will perform 20 on-site MOR's, will process 29 requests for HAP contract renewals and contract rent adjustments, and review and approve 233 HAP voucher requests during the month of March 2012.

Spruce Hills Village, located in Bettendorf, experienced a fire on February 17, 2012, in Unit 102. The initial findings indicated that the resident was using oxygen while smoking in the apartment. The resident suffered minor injuries and was transported to the hospital for treatment. The resident was released from the hospital on 2/20/2012 and is currently residing with family members. The resident requires an accessible unit and there are none available at Spruce Hills Village. The fire affected only the occupant of the unit listed above, and damage was limited to that apartment and the exterior (siding and window) of the building directly outside of the unit. Management estimates the unit will be restored and ready for occupancy within 90 days.

Kristine Dreckman has accepted the vacant Compliance Officer position on IFA's Section 8 team, with the title of "*Contract Specialist/Budget Manager*" (Ashley Watts' former position). She will be in charge of Voucher Processing, working on the Contract Renewal Team, and also serving as the Section 8 liaison for all legal activities connected with administering the PBCA contract. Her first day at IFA was Feb. 21, 2012. Kristine graduated from Drake with her law degree in 2005, and has spent the last 7 years working as an associate attorney for a small Des Moines firm. We believe her education and experience will be a good fit for our Section 8 team, and look forward to working with her in Section 8.

Section 8 Deputy Director/Compliance Manager Brian Sullivan and Quality Control Coordinator Mike Sharp are planning on attending the TRACS Industry Group Meeting put on by HUD in Washington, D.C. March 13 – March 14, 2012. This HUD conference will be facilitated by Lanier Hylton Director, Office of Program Systems Management at U.S. Department of Housing & Urban Development and Marie Head, Deputy Assistant Secretary Multifamily Housing Programs, and will cover important changes to current HUD reporting requirements, computer systems, processing requirements and the Enterprise Income Verification (EIV) requirements.

Section 8 Project Based HAP Administration

Period Ending
February 29, 2012

	# Events Completed		Basic Fee Earned		Incentive Fees Earned		Disincentives	FYTD		FYTD	FYTD
IBPS Requirements-ACC thru 9/30/2011	Current	FYTD	Current	FYTD	Current	FYTD	Charged	Actual		Budget	Variance
01. Management and Occupancy Reviews	0	55	\$0.00	\$37,764.18	\$0.00	\$47,205.24		\$84,969.42			
02. Owner Civil Rights Compliance	0	55	\$0.00	\$23,602.62	\$0.00	\$47,205.24		\$70,807.86			
03. Rental Adjustments	0	39	\$0.00	\$23,602.62	\$0.00	\$0.00		\$23,602.62			
04. Opt-outs and Contract Terminations	0	0	\$0.00	\$23,602.62	\$0.00	\$0.00		\$23,602.62			
05. Opt-out & HAP Contract term.-submit resident data	0	0	\$0.00	\$23,602.62	\$0.00	\$70,807.86		\$94,410.48			
06. Monthly Section 8 Vouchers	0	699	\$0.00	\$70,807.86	\$0.00	\$0.00		\$70,807.86			
07. Notify HUD of Corrective Actions	0	1	\$0.00	\$14,161.56	\$0.00	\$0.00		\$14,161.56			
08. Owner's follow-up efforts (Income Match)	0	0	\$0.00	\$14,161.56	\$0.00	\$0.00		\$14,161.56			
09. Life Threatening Health and Safety Issues	0	0	\$0.00	\$33,043.65	\$0.00	\$0.00		\$33,043.65			
10. Non-Life Threatening Health and Safety Issues	0	1	\$0.00	\$23,602.62	\$0.00	\$0.00		\$23,602.62			
11. Budgets, requisitions, revisions	0	0	\$0.00	\$37,764.18	\$0.00	\$0.00		\$37,764.18			
12. Year-end Statement	0	2	\$0.00	\$37,764.18	\$0.00	\$0.00		\$37,764.18			
13. Public Housing Agency Audit	0	2	\$0.00	\$14,161.56	\$0.00	\$0.00		\$14,161.56			
14. Renewals of expiring HAP contracts	0	9	\$0.00	\$56,646.27	\$0.00	\$70,807.86		\$127,454.13			
15. General reporting requirements	0	6	\$0.00	\$23,602.62	\$0.00	\$0.00		\$23,602.62			
16. Monitoring physical inspection results	0	0	\$0.00	\$14,161.56	\$0.00	\$0.00		\$14,161.56			
SUBTOTAL: IBPS #1-16-ACC thru 9/30/2011	0	869	\$0.00	\$472,052.28	\$0.00	\$236,026.20		\$708,078.48			
PBT Requirements-New ACC Effective 10/11/2011											
01. Management and Occupancy Reviews	17	87	\$33,913.39	\$169,792.51	\$1,695.67	\$8,489.63		\$178,282.14			
02. Adjust Contract Rents	36	90	\$16,956.70	\$84,896.26	\$1,695.67	\$8,489.63		\$93,385.89			
03. Review and Pay Monthly Vouchers	232	1164	\$33,913.39	\$169,792.51	\$1,695.67	\$8,489.63		\$178,282.14			
04. Renew HPA Contracts and Process Terminations	7	24	\$33,913.39	\$169,792.51	\$1,695.67	\$8,489.63		\$178,282.14			
05. Tenant Health, Safety & Maintenance Issues	1	4	\$16,956.70	\$84,896.26	\$1,695.67	\$8,489.63		\$93,385.89			
06. Administration - Monthly and Quarterly Reports	1	6	\$16,956.70	\$84,896.26	N/A	N/A		\$84,896.26			
07. Administration-ACC Year End Reports & Certifications	0	0	\$13,565.36	\$67,917.00	N/A	N/A		\$67,917.00			
08. Annual Financial Reports - PHA FYE	0	0	\$3,391.34	\$16,979.26	N/A	N/A		\$16,979.26			
PBTs #1-8-New ACC Eff. 10/1/2011	294	1375	\$169,566.97	\$848,962.57	\$8,478.35	\$42,448.15	\$0.00	\$891,410.72			
Customer Service - Annual Incentive Fee	N/A	N/A	N/A	N/A	\$8,478.35	\$42,448.15	N/A	\$42,448.15			
SUBTOTAL: -New ACC Eff. 10/1/2011	294	1375	169,566.97	848,962.57	16,956.70	84,896.30	0.00	\$933,858.87			
TOTALS	294	2,244	169,566.97	1,321,014.85	16,956.70	320,922.50	0.00	1,641,937.35	*	\$1,559,500.00	\$82,437.35

Contracts 232
Units 12,094
Counties 73



TITLE GUARANTY

To: Title Guaranty and Iowa Finance Authority Board of Directors
From: Geri D. Huser, Title Guaranty Director
Date: February 28, 2012
RE: Title Guaranty Administrative Rule Waiver Request for Abstract Guaranty and Iowa Abstract Services LLC
Rule: 265 IAC 9.1(16)

Recommendation:

I recommend the Title Guaranty(TG) and Iowa Finance Authority (IFA) Boards approve, for a period of five years, Abstract Guaranty Company (AGC) and Iowa Abstract Services LLC (IAS) Request for Waiver. AGC and IAS are requesting a waiver of the definition of an abstract TG rule [265 IAC 9.1(16); Definitions; "Abstract of title" or "abstract"]. The recommendation for approval is subject to approval of a search product.

A recommendation for approval of the search product and support of the waiver will be on the TG Board Agenda for March 6, 2012. The search product is substantially identical to the product previously approved by the TG Board in July 2007. It is anticipated that the TG Board will approve the search product. And recommend approval of the waiver for the period March 1, 2012 – March 1, 2017.

Rule Review:

TG rule [265 IAC 9.1(16) defines "abstract of title" or "abstract" for Title Guaranty purposes to include a "...summary of all matters of record..." affecting the property. By granting a waiver of the "of all matters of record" language, a Pottawattamie County Report of Title (Report) would show matters of record now affecting the property. The Report would not include all matters of record – it would only include those matters now affecting title (i.e.: unreleased mortgages, easements, judgments, etc.). The Report would not show released mortgages or every prior deed in the chain of title. The Report would typically go back to Government Entry looking for easements and come forward from the root of title with a showing of all deeds reflecting a current interest in the title.

Facts:

This waiver request is before the Board because the abstract/opinion system is not, as a practical matter, used in Pottawattamie County. Our two participating abstractors with title plants are competing with title companies located in Council Bluffs and Omaha that conduct "title searches" in lieu of an abstract without the benefit of a title plant. The searches typically done by the title companies do not result in a product that can be used to determine if title is "marketable" according to Iowa law. These searches are less-than comprehensive, rarely date back to the root of title, and as a result, easements, support judgments, mortgages, and other items are often missed. Due to this long standing practice in Pottawattamie County many abstracts have been lost or destroyed and it is cost prohibitive for abstractors, attorneys, realtors and TG to advise homebuyers and sellers to expend the funds to have an abstract created. In addition, TG has had a very difficult if not impossible task of entering the market in

Pottawattamie County. Therefore, it was determined that TG could obtain a presence, assist our local abstractors, realtors and attorneys and provide a product to lowans which utilizes the title opinion and review of marketable titles at a price that benefited Iowa homebuyers and sellers.

Since 2007 when Pottawattamie County first began providing a Report of Title, TG has seen an increase in lender certificates. Although there has been a general decline in the number of mortgages filed per year TG volume has increased.

YEAR	RECORDED MORTGAGES	TG LENDER CERTIFICATES
2006	6746	40
2007	5874	65
2008	4615	126
2009	4914	143
2010	3773	230
2011	3872	238

A large percentage of the 2010/2011 are the result of collaboration between one or our participating attorneys and AGC and are refinance transactions. Although we have seen growth it is still difficult to penetrate a market where the largest real estate companies – NPDodge, CBS Home and Heartland Real Estate all have an interest in a title company.

Realtors in Pottawattamie County routinely elect title insurance or encourage their clients to use title insurance in lieu of the abstract/attorney title opinion system because abstracts are costly and time-consuming. The lack of attorney involvement in residential real estate transactions greatly concerns Title Guaranty. Attorneys rarely examine abstracts and are generally not involved in closings even though the abstractor/attorney system contributes to the quality of real estate titles in Iowa. If a buyer elects the abstract/title opinion system, a new abstract must be ordered. The cost to create a new abstract exceeds \$600.00 and takes several weeks or even months to complete. Given the fast-paced nature of the residential real estate market, this is not acceptable.

Reasons to grant the waiver:

- Section 16.91 of the Iowa Code provides that the Title Guaranty Division shall offer guaranties of real property title in the state of Iowa. Title Guaranty has a statutory mandate to issue coverage on a statewide basis. Our mission is to facilitate the sale of loans on the secondary market and add to the integrity of Iowa's land title system. We have an obligation to ensure that Title Guaranty coverage is available in all 99 counties. Without this Waiver, as a practical matter, Title Guaranty is not available in Pottawattamie County.
- The quality of real estate titles is suffering in Pottawattamie County. Abstracts are not being updated or maintained. Instead, out of state title insurance companies are closing transactions based on searches which rarely extend beyond the last deed. This practice leads to title problems which eventually come to light and end up costing homeowners significant time and expense. By granting the waiver, Title Guaranty will be able to offer a modified product that utilizes portions of the abstract/attorney system in Pottawattamie County resulting in higher quality titles.

- Iowa Finance Authority's (IFA) homeownership programs, including FirstHome, FirstHome Plus, and the Military Grant Program were not readily available in Pottawattamie County because abstracts are unavailable. However with the waiver these products are available and provided to homeowners in Pottawattamie County.
- When Title Guaranty is involved in the transaction, an attorney reviews the title. Title problems are uncovered before the buyer has a financial interest in the property which results in clean land title records.

Criteria for Waiver or Variance

Waivers and variances from administrative rules the Iowa Finance Authority is governed by IAC 265 chapter 18. As the rulemaking authority for the Title Guaranty Division, IFA's Board of Directors is the appropriate body to decide this request for a waiver. Chapter 18 provides that a waiver of an administrative rule is appropriate if the Board finds the following criteria are satisfied:

1. The application of the rule imposes an undue hardship on Abstract Guaranty Company and Iowa Abstract Services LLC;
2. The waiver would not prejudice the substantial legal rights of any person;
3. The provisions of the rule are not specifically mandated by statute or another provision of law; and
4. Substantial equal protection of public health, safety, and welfare will be afforded by a means other than that prescribed in the rule.

1. Undue hardship:

By requiring a traditional abstract on residential purchase transactions, the TG product cannot compete with that offered by out-of-state title insurance companies. For example, when AGC and IAS are required to create a traditional abstract for Title Guaranty, they consistently lose the business to title insurance companies that issue coverage based on ill-defined searches. Requiring a traditional abstract for Title Guaranty purposes on residential purchase transactions imposes an undue hardship on AGC and IAS.

2. Prejudice:

Allowing the use of a "Pottawattamie County Report of Title" will not prejudice the substantial legal rights of any person. Lenders, homebuyers, etc. will be free to use another search provider or traditional abstractor and order whichever product they so choose.

Although the use of our certificates is increasing TG is not the product of choice in Pottawattamie County. As illustrated in the chart above our market share in Pottawattamie County is less than 1%. Even if the request is granted there are other options for consumers.

3. Specific mandate by statute or law:

The Iowa Code does not specifically define an abstract. For purposes of the Title Guaranty, the term "abstract" is defined in IFA's administrative rules. What constitutes an abstract is not specifically mandated by statute or another provision of the law.

4. Equal Protection:

Equal Protection will be afforded the public in Pottawattamie County with a temporary waiver or variance of the rule defining an abstract. The Report, if approved, will allow the public in Pottawattamie County to participate in the Title Guaranty program and have the commensurate protections from the abstract/title opinion Title Guaranty system, which is a public purpose.

**RESOLUTION
TG 12-01**

**Abstract Guaranty Company & Iowa Abstract Services, LLC
Waiver of Definition of Abstract**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, through the Title Guaranty Division, is empowered to make and issue title guaranties on Iowa real property in a form acceptable to the secondary market, to fix and collect the charges for the guaranties and to procure reinsurance against any loss in connection with the guaranties; and

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, has the power to make, alter and repeal rules consistent with the provisions of this chapter, and subject to chapter 17A.

WHEREAS, the Board has received a Request for Waiver of Title Guaranty Rule Contained in 265 IAC 9.1 (16) pertaining to the Definition of an “Abstract of Title” or “Abstract” by Abstract Guaranty Company and Iowa Abstract Services, LLC for Pottawattamie County.

WHEREAS, the Board finds that the authority has jurisdiction over the rule and the requested waiver is consistent with applicable statutes, constitutional provisions, or other provisions of law.

WHEREAS, the Authority desires to grant this waiver, subject to certain conditions and limitations;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board hereby grants to Abstract Guaranty Company and Iowa Abstract Services, LLC a waiver of the Rule contained in Iowa Administrative Code 265 – 9.1(16) “Abstract of Title” or “Abstract” that states that an abstract for title guaranty purposes, is a summary of “all matters of record”; and

SECTION 2. Pursuant to Iowa Administrative Code 265 – 18.10(17A,16), the Board adopts the Order Approving the Request for Waiver of Iowa Administrative Code 265 – 9.1(16) attached hereto as Exhibit A.

PASSED AND APPROVED this 7th day of March 2012.

David D. Jamison, Secretary

(Seal)

IN RE:)	
)	
)	
Abstract Guaranty Company)	ORDER GRANTING REQUEST FOR
Iowa Abstract Services, L.L.C.)	WAIVER OF IOWA ADMINISTRATIVE
)	CODE RULE 265 — 9.1(16)
)	
)	
)	

Background.

Abstract Guaranty Company and Iowa Abstract Services, L.L.C. both of which are legal corporations operating in the state of Iowa, which have requested a Waiver of the Title Guaranty rule [265 IAC 9.1(16); Definitions; “Abstract of title” or “abstract”].

This rule defines “abstract of title” or “abstract” for Title Guaranty purposes to include a “...summary of all matters of record...” affecting the property. By granting a waiver of the “of all matters of record” language, a Pottawattamie County Report of Title (Report) would show matters of record now affecting the property. The Report would not include all matters of record – it would only include those matters now affecting title (i.e.: unreleased mortgages, easements, judgments, etc.). The Report would not show released mortgages or every prior deed in the chain of title. The Report would typically go back to Government Entry (when the United States was the titleholder) looking for easements and come forward from the root of title (a deed filed at least 40 years ago) with a showing of all deeds reflecting a current interest in the title.

Facts:

Since 2007 when Pottawattamie County first began providing a Report of Title, TG has seen an increase in lender certificates. Although there has been a general decline in the number of mortgages filed per year TG volume has been increased.

YEAR	RECORDED MORTGAGES	TG LENDER CERTIFICATES
2006	6746	40
2007	5874	65
2008	4615	126
2009	4914	143
2010	3773	230
2011	3872	238

A large percentage of the 2010/2011 are the result of collaboration between one or our participating attorneys and AGC and are refinance transactions. Although we have seen growth it is still difficult to penetrate a market where the largest real estate companies – NPDodge, CBS Home and Heartland Real Estate all have an interest in a title company.

Realtors in Pottawattamie County routinely elect title insurance or encourage their clients to use title insurance in lieu of the abstract/attorney title opinion system because abstracts are costly and time-

consuming. The lack of attorney involvement in residential real estate transactions greatly concerns Title Guaranty. Attorneys rarely examine abstracts and are generally not involved in closings even though the abstractor/attorney system contributes to the quality of real estate titles in Iowa. If a buyer elects the abstract/title opinion system, a new abstract must be ordered. The cost to create a new abstract exceeds \$600.00 and takes several weeks or even months to complete. Given the fast-paced nature of the residential real estate market, this is not acceptable.

Reasons to grant the waiver:

- Section 16.91 of the Iowa Code provides that the Title Guaranty Division shall offer guaranties of real property title in the state of Iowa. Title Guaranty has a statutory mandate to issue coverage on a statewide basis. Their mission is to facilitate the sale of loans on the secondary market and add to the integrity of Iowa's land title system. Title Guaranty has an obligation to ensure that Title Guaranty coverage is available in all 99 counties. Without a waiver, as a practical matter, Title Guaranty is not available in Pottawattamie County.
- The quality of real estate titles is suffering in Pottawattamie County. Abstracts are not being updated or maintained. Instead, out of state title insurance companies are closing transactions based on searches which rarely extend beyond the last deed. This practice leads to title problems which eventually come to light and end up costing homeowners significant time and expense. If the waiver is granted, the abstract/attorney system can be reestablished in Pottawattamie County, resulting in higher quality titles.
- Iowa Finance Authority's (IFA) homeownership programs, including FirstHome, FirstHome Plus, and the Military Grant Program were not readily available in Pottawattamie County because abstracts are unavailable. However with the waiver these products are available and provided to homeowners in Pottawattamie County.
- When Title Guaranty is involved in the transaction, an attorney reviews the title. Title problems are uncovered before the buyer has a financial interest in the property which results in clean land title records.

Criteria for Waiver or Variance

Waivers and variances from administrative rules the Iowa Finance Authority is governed by IAC 265 chapter 18. As the rulemaking authority for the Title Guaranty Division, IFA's Board of Directors is the appropriate body to decide this request for a waiver. Chapter 18 provides that a waiver of an administrative rule is appropriate if the Board finds the following criteria are satisfied:

1. The application of the rule imposes an undue hardship on Abstract Guaranty Company and Iowa Abstract Services, L.L.C.;
2. The waiver from the requirements of the rule in the specific case would not prejudice the substantial legal rights of any person;
3. The provisions of the rule subject to the petition for a waiver are not specifically mandated by statute or another provision of law; and

4. Substantially equal protection of public health, safety, and welfare will be afforded by a means other than that prescribed in the particular rule for which the waiver is requested.

IFA rule 265 — 18.10 (2) provides that “[t]he burden of persuasion rests with the petitioner to demonstrate by clear and convincing evidence that the authority should exercise its discretion to grant a waiver from an authority rule.” Rule 265 — 18.10(1) provides:

The final decision on whether the circumstances justify the granting of a waiver shall be made at the sole discretion of the authority upon consideration of all relevant factors. The authority shall evaluate each petition for a waiver based on the unique, individual circumstances set out in the petition.

Ruling.

The Petition came before the Board at its March 7, 2012, regular meeting. This Board finds the following:

1. Undue hardship:

By requiring a traditional abstract on residential purchase transactions, the TG product cannot compete with that offered by out-of-state title insurance companies. For example, when AGC and IAS are required to create a traditional abstract for Title Guaranty, they consistently lose the business to title insurance companies that issue coverage based on ill-defined searches. Requiring a traditional abstract for Title Guaranty purposes on residential purchase transactions imposes an undue hardship on AGC and IAS.

2. Prejudice:

Allowing the use of a “Pottawattamie County Report of Title” will not prejudice the substantial legal rights of any person. Lenders, homebuyers, etc. will be free to use another search provider or traditional abstractor and order whichever product they so choose.

Although the use of our certificates is increasing TG is not the product of choice in Pottawattamie County. As illustrated in the chart above our market share in Pottawattamie County is less than 1%. Even if the request is granted there are other options for consumers.

3. Specific mandate by statute or law:

The Iowa Code does not specifically define an abstract. For purposes of the Title Guaranty program, the term “abstract” is defined in IFA’s administrative rules. What constitutes an abstract is not specifically mandated by statute or another provision of the law.

4. Equal Protection:

Equal Protection will be afforded the public in Pottawattamie County with a temporary waiver or variance of the rule defining an abstract. The Report, if approved, will allow the public in Pottawattamie

County to participate in the Title Guaranty program and have the commensurate protections from the abstract/title opinion Title Guaranty system, which is a public purpose.

Ruling:

Upon review of the Request for Waiver from Abstract Guaranty Company and Iowa Abstract Services, L.L.C., the facts, and the administrative rules, the Board is persuaded that the Standards for Waiver or Variance have been met, and that the Waiver should be granted, subject to certain terms and conditions.

SECTION 1. The Board grants to Abstract Guaranty Company and Iowa Abstract Services, L.L.C. a waiver of the Rule contained in Iowa Administrative Code 265 – 9.1(16) “Abstract of Title” or “Abstract” that states that an abstract for title guaranty purposes, is a summary of “all matters of record”; and

SECTION 2. The Board grants this waiver to Abstract Guaranty Company and Iowa Abstract Services, L.L.C. for real estate located in Pottawattamie County; and

SECTION 3. The Board grants this waiver, subject to the terms and conditions of this Resolution, for a term of five (5) years from March 1, 2012 – March 1, 2017; and

SECTION 4. The Board limits this grant of waiver to those situations where a traditional abstract is unavailable because the abstract is lost, has been destroyed, or cannot be located; and

SECTION 5. The Board grants this waiver subject to Abstract Guaranty Company and Iowa Abstract Services, L.L.C. utilizing the Report of Title approved by the Title Guaranty Division Board.

PASSED AND APPROVED this 7th day of March, 2012

David D. Jamison, Secretary
(Seal)



ABSTRACT GUARANTY COMPANY

231 South Main St.
Council Bluffs, IA 51503
Phone 328-1501
Fax 325-1942
www.abstractguaranty.com

BEFORE THE IOWA FINANCE AUTHORITY

Petition by Abstract Guaranty Company by
Joseph Quedensley for waiver
of Administrative Rule 265 IAC 9.1 (16), relating to
the requirement that an Abstract of Title being
brought up to date and certified by a participating
Abstractor prior to the issuance of a Title Guaranty Certificate.

Petition for Waiver

From:

Abstract Guaranty Company
Joseph Quedensley
231 South Main St
Council Bluffs IA 51503
712-328-1502 Fax 712-235-1942
Title Guaranty Division Member #8146

Dear members of the Board of Directors,

I am requesting a continuation of the waiver I received in June 2007 of the Title Guaranty rule contained in 265 IAC 9.1 (16), definition of "Abstract of Title". This rule requires that an abstract, for Title Guaranty purposes, consist of all matters of record (a "Traditional Abstract"). In Pottawattamie County, "Traditional Abstracts" are rarely being used for residential transactions and are no long available to be continued. If a new abstract was required, the residential consumer will be excluded from the Title Guaranty process and the advantages of its safety and low cost. The exclusion of the consumer, lender, attorney and the abstractor from participating in the Title Guaranty program is obviously not what the board had in mind when the Title Guaranty Program was started.

As an alternative to the Abstract of Title, Abstract Guaranty has provided a 40 year Report of Title to the Attorney for his or her opinion. We search the property, looking at the chain of Title for a minimum of 40 years and also look for any easements affecting the land. Our Title Plant is a tract index of all the property in Pottawattamie County dating back to 1853. Our searches are very exacting and thorough. Since June 2007, we have completed 427 Title Guaranty Searches and have had no claims.

The reasons we were originally granted the waiver and the reason why we are requesting the continuation have not changed. In Pottawattamie County the use of Title Insurance has been dominated by our close proximity to Omaha Ne. Over the years, the consumer in Pottawattamie County has been influenced by the ease of purchasing and the low cost of Title Insurance, resulting in less use of Abstracts versus more use of Title Insurance. It is very rare now, to continue an abstract for a residential sale or refinance. There are over 36 Title Companies in

Omaha, all more than willing to issue title insurance policies on Iowa property. The Realtors and Lenders have come to depend on the speed and low price of the title insurance policy.

Title Insurance has been dominant for such a long time in Pottawattamie County, that most abstracts are lost or discarded. To use an abstract in connection with the issuance of a Title Certificate usually means construction of a new abstract. A new abstract is a very expensive and time-consuming search. . We are more than happy to provide this service, but the Realtors and lenders can't take the time or want their customers to bear the expense. They choose the Title Insurance Policy every time.

Our records show that the use of the Title Guaranty Product in Pottawattamie County is really starting to connect with the Realtors and the Lenders. We had 170 orders in 2011. This is more than double any other year back to 2007. We want to build on this momentum and continue our Title Guaranty Searches. The local attorneys have accepted our search and attorneys located in other parts of the State have also used it. It provides an accurate report of the quality of title.

If you can grant Abstract Guaranty Company the continuation of this waiver, I would be able to continue to provide the relevant information of matters still affecting title to the property in a Report format. That would allow a Participating attorney to examine the title to the property, prepare a title opinion, and allow homebuyers to be protected by an Owners Title Guaranty Certificate and the lender to be protected by a Lenders Title Guaranty Certificate. I ask the Iowa Finance Authority Board of Directors to allow my company, Abstract Guaranty Company, the ability to use a Report, meeting the requirements of 265 IAC 9.1 (16), as amended by this waiver request, and that this waiver be extended yearly without further petition.

Please grant this continuation of the waiver of the Title Guaranty rule concerning the exclusive use of abstracts. The consumer will continued to be offered a choice of products when they sell or refinance their property and Title Guaranty will continue to be able to offer services to the citizens of Pottawattamie County

I affirm the above information is true and correct.


Joseph Quedensley
Abstract Guaranty Company

February 15, 2012

BEFORE THE IOWA FINANCE AUTHORITY

Petition by Iowa Abstract Services for
the waiver of Rule 9.1(16)

)
)
)
)

PETITION FOR
WAIVER

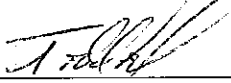
COMES NOW, the Petitioner and requests that the board waive the definition requirements of Iowa Code § 16.91(6), that an abstract of title be brought up-to-date and certified before a title certification issue, be waived as applied to Iowa Abstract Services, LLC until such time as Up to Date Abstracts of Title can be created economically in Pottawattamie County. The requirements of an abstract of title as outlined in Iowa Administrative Code 265 9.1(16) are onerous on an abstractor acting in Pottawattamie County and are within the ability of the Iowa Finance Authority to amend pursuant to Iowa Administrative Code 265 18. Petitioner presents arguments as follows:

1. In 2007, Abstract Guaranty Company, Title Guaranty Division Number 8146, operating out of Pottawattamie County, was granted a waiver from Iowa Code Section 16.91(6). Under their waiver, the Abstract Guaranty Company was allowed to issue a title report instead of an abstract of title. These title reports would contain all of the information required in an abstract of title and would record information for the last forty (40) years pursuant to Iowa Land Title Standard 11.7.
2. If you review the reasons for granting this waiver to the Abstract Guaranty Company, little has changed in Pottawattamie County that would allow for the Title Guaranty System to thrive. Pottawattamie County primarily uses out of state title insurance on the majority of the real estate purchases. Title insurance is cheaper and quicker than the abstracting system used in Iowa.
3. The main reason that the title insurance is less expensive is because of the requirements to update abstracts. Due to title insurance being used so heavily in Pottawattamie County in the past, very few real estate owners have an abstract for the property resulting in nearly all update requests requiring that a new abstract be created. This is considerably expensive and time consuming.
4. Recognizing the problem that title insurance created for Pottawattamie County the Pottawattamie County Bar Association passed a resolution on January 19, 2007 asking the Iowa Title Guaranty Division to grant waivers such as the one requested in this letter.
5. Competition from title insurance is still a threat to the Iowa title system in Pottawattamie County.

6. The Title Guaranty Division has strove to prove the efficiency and accuracy of Iowa's title system since its creation. Allowing title insurance to operate more cheaply in Pottawattamie County undermines the goals of the Iowa title system.
7. The only way to combat the use of title insurance is through the use of inexpensive but accurate title reports. Title reports as described above are already relied upon by attorneys and real estate professionals in Pottawattamie County. Title insurance companies also rely on the title reports described above when issuing insurance commitments. They have become a standard product in Pottawattamie County.
8. The waiver given to Abstract Guaranty Company allowed lenders to rely on title certificates for the first time. Given enough time, the title report system could allow title certifications to become popular in Pottawattamie County. This would allow the integrity of the Iowa title system to be maintained.
9. The requirement of making full up-to date abstract is an undue burden on our business because of the prohibitive cost of making full abstracts.
10. The substantial legal rights of no person will be affected by allowing the waiver because all the proper and relevant information will be given to a property purchaser in the title reports.
11. Nowhere in Iowa Code § 16.9 is an Abstract of Title defined. The definition of an acceptable Abstract has been left to the Iowa Finance Authority.

WHEREFORE, please grant this waiver of Iowa Code Section 16.91(6) concerning the exclusive use of abstracts. It Petitioner's goal to show the consumer that title certifications can be as efficient and inexpensive as title insurance. Please allow Petitioner this chance.

I affirm the above information is true and correct.



Iowa Abstract Services, LLC
By Todd Prichard Owner
501 5th Ave
Council Bluffs, Iowa 51501

January 5, 2012



To: IFA Board Members
From: Title Guaranty Division
Date: February 20, 2012
Re: January 2012 Board Report

Production

Total production of Commitments and Certificates issued in January was 11,867, compared to 11,005 in FY11. For January 93% of all Certificates and Commitments were field issued compared to 90% in FY 11. January was a very strong month for Title Guaranty, but as shown on the attached breakdown, volume continues to reflect high refinance volume.

Mortgage Release Program

We have received 4024 requests since the inception of the program and have released 2856 mortgages.

Yearly comparisons:

Release requests received this month	28
Release requests received since 7/1/2011	221
Release requests received same period last year	311
Total requests received 7/1/2010 – 6/30/2011	672
Total Fees received 7/1/2011 – 01/31/2012	\$3150

Compliance and Training

Key Activities – January

Audits – Mike Gorsline, Jorge Gomez, Ben Yeggy, Marion County Settlement

Training – Midland Escrow

Marketing

Key Activities – January

Valley Bank – annual sales meeting

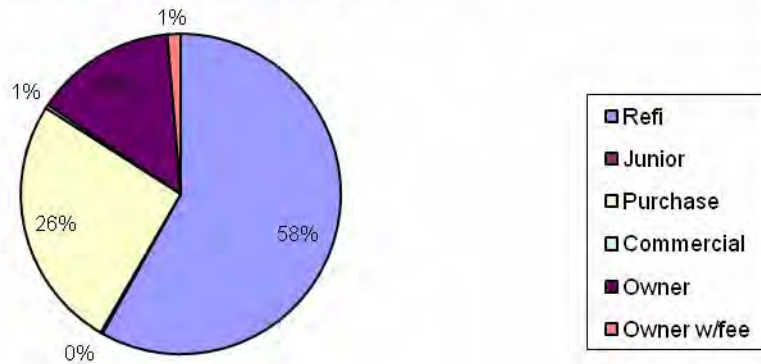
ICREA – monthly breakfast

Meeting with Malcolm Morris – Stewart Title

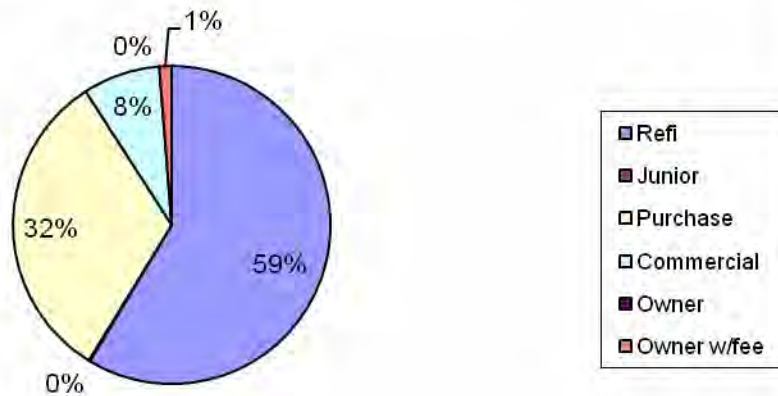
January 2012 Transaction Breakdown

Refi	4129	Refi	\$375,861
Junior	14	Junior	\$805
Purchase	1823	Purchase	\$205,907
Commercial	27	Commercial	\$50,465
Owner	1011	Owner	\$ -
Owner w/fee	96	Owner w/fee	\$7,982
	7100		\$641,020

January 2012 Certificate Breakdown



January 2012 Revenue Breakdown



Title Guaranty Quarterly Premiums

